



Daily Report

China

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General

UN Envoy Explains Vote at Security Council

OW1409095690 Beijing XINHUA in English
0755 GMT 14 Sep 90

[Text] United Nations, September 13 (XINHUA)—The U.N. Security Council tonight adopted Resolution 666 deciding that foodstuffs could only be delivered to Iraq and Kuwait in certain humanitarian circumstances.

The council decided in the Resolution that in order for the council to make the necessary determination whether or not humanitarian circumstances have arisen, the council's Sanctions Committee shall keep the situation regarding foodstuffs in Iraq and Kuwait under constant review.

The council decided that if the Sanctions Committee determines that "circumstances have arisen in which there is an urgent humanitarian need to supply foodstuffs, it will report promptly to the council its decision as to how such need should be met."

It requested the secretary-general to seek urgently, and on a continuing basis, information on the availability of food in Iraq and Kuwait.

It also requested that in seeking and supplying such information particular attention should be paid to persons who might suffer specially, such as children under 15 years of age, expectant mothers and maternity cases.

It said that the committee should bear in mind that foodstuffs should be provided through the U.N. in cooperation with the International Committee of the Red Cross or other appropriate humanitarian agencies and distributed by them or under their supervision in order to ensure that the foodstuffs reach the intended receivers.

It also reiterated that Resolution 661, which was adopted by the council on August 6 ordering economic boycott of Iraq and the occupied Kuwait, does not apply to supplies intended strictly for medical purposes, but such supplies should be provided under strict supervision.

The draft resolution was proposed by the United States and generally accepted yesterday by the five permanent members of the council after hours' consultations. It was adopted by 13 votes with Cuba and Yemen against.

Cuba also proposed a draft in which it emphasized that under no circumstance should actions be taken that "may hinder access of the civilian population and the foreign nationals in Iraq and Kuwait to basic foodstuffs, medical supplies and medical assistance."

The Cuban draft did not get through with a vote of three in favor, five against and seven abstentions.

In a statement made after the voting, Ambassador Li Daoyu of China said that Chinese delegation had clearly made the following as its point of departure.

First, Resolution 661 must be strictly implemented so as to urge Iraq to comply with Resolution 660, thus paving the way for a political settlement of the Gulf crisis and restore peace in the region.

Second, no situation should occur in which Iraqi and Kuwaiti residents and foreign nationals in the two countries, particularly children, will suffer from hunger.

He said that based on the above position, which is consistent with the relevant provisions of Resolution 661, China voted for the resolution.

Soon after the voting, the Sanctions Committee will have a meeting to discuss a proposal made by the non-aligned movement which urges emergency food and other relief effort to be extended to Indian, Filipino, Sri Lanka and other foreign nationals stranded in Iraq and Kuwait.

It is said here that the committee would possibly decide to authorize one Indian ship carrying foodstuffs to be sent to meet the immediate needs of the 150,000 Indian nationals still remaining in the two countries.

Diplomat Interviewed on Middle East Crisis

HK1209025390 Hong Kong TANGTAI in Chinese
No 41, 8 Sep 90, pp 19-20

[Article by Chang Yuan-hsiang (1728 5373 7449): "China Believes That It Is Hard To Avoid War in the Middle East"]

[Text] [editor's note] When being interviewed by TANGTAI, a Chinese diplomat held that although China would do its best to mediate, according to the current indications, it is hard to avoid a war in the Middle East. [end editor's note]

Recently, Chinese and Soviet foreign ministers held a three-hour meeting in Harbin. After the meeting, both sides indicated that their positions and viewpoints on the Gulf issue were similar [xiang jin 4161 6602]. First, they both opposed Iraq's aggression against Kuwait. Second, they both held that Kuwait's independence, sovereignty, and territorial integrity should be restored as soon as possible. Third, they both held that efforts should be made to seek a political solution to solve the problems in a peaceful way according to the resolutions of the UN Security Council and within the Arab countries.

This is the attitude of the Chinese Government on public occasions. Internally, how does China view this issue? In Beijing, a Chinese diplomat made the following analysis for TANGTAI:

First, the Impact of the Middle East Crisis on China

During the current Middle East crisis, China has not suffered serious losses. The volume of China's trade with Iraq and Kuwait is not large. China mainly exported labor services to these two countries, but only held a very small share of the labor market there. In Iraq, there were

1 to 2 million Egyptian laborers, the Chinese only numbered several thousand. As for loans, in the past year, Western countries imposed sanctions on China and there were very few available loans; so right now no loan could be acquired from Kuwait anyway, it will not matter too much. In the past, we did sell some weapons, mainly missiles. This caused many complaints from the international community and made us very embarrassed. Then we stopped the arms sales. This time, the armaments embargo did not cause any loss to China, because we did not plan to sell anything to Iraq. In the political aspect, we have not established our sphere of influence in the Middle East, so the crisis has not caused any political loss.

China has not suffered major losses in the Middle East crisis; on the contrary, to a certain degree, the crisis will help mitigate the current diplomatic difficulties.

First, after last year's "4 June incident," China became the focus of international attention, and the foreign countries jointly imposed sanctions. Now, as Iraq has invaded Kuwait, the focus of international attention has been diverted, and for international attention, China is no longer the only place where human rights are violated.

Second, China has stood on the opposite side of the Western countries in the past, but can now join hands with them in imposing sanctions against Iraq. U.S. Assistant Secretary of State Solomons suddenly visited Beijing in early August (the Chinese Government was notified only four hours before he came), requesting China to stand on the side of the United States. China took the position of opposing Iraq. This on the one hand improved China's international image; on the other hand, because it did side with the Western countries and did not oppose them even though they had imposed sanctions, the United States and other Western countries this time owe China for its goodwill. So the Chinese diplomatic circles believe that the United States may relax control over arms exports and loans to China at a quicker speed.

Third, China is not an oil importer. On the contrary, it exports a small quantity of oil. The Middle East crisis will stimulate oil production.

If the Middle East tension continues to develop, China will suffer little substantial losses. The only problem is that once the oil crisis causes another economic recession in the developed countries, economic development in China's coastal areas may be affected.

Second, an Analysis of the United States

However, China does not want to see the state of affairs in the Middle East continue to worsen. China is mainly worried that with the tension in the Middle East escalating, the United States will be more and more deeply involved; it will take this opportunity to enter the region and thus become the main force controlling the Middle East. Another superpower, the Soviet Union, has also wanted to enter the Middle East and play a certain role,

but its domestic conditions are in a mess and have prevented them from playing a bigger role in external affairs. So they can only watch helplessly as American troops are being sent to the Middle East.

Diplomatic circles in Beijing analyzed three main considerations upon which the United States decided to actively interfere in Middle East affairs:

First, the United States will once again be able to enter the Middle East and establish its influence and strategic forces.

Second, the substantial increases in military expenditure will stimulate the U.S. economy to a certain degree.

Third, as a presidential election will soon be held in the United States, if it assumes a tough attitude in the Middle East crisis, it will be able to establish an awe-inspiring image in the international community. This will be favorable to Bush's reelection.

For these reasons, the United States will not forgive what Iraq has done. Chinese diplomatic circles believe that a U.S.-Iraqi war will eventually be fought, but it is hard to say how long the war will last.

Third, an Assessment of Iraq

Aren't the Arab countries keeping a wary eye on the positive attitude of the United States in the Middle East, and don't they fear that a wolf may be invited into the house? This Chinese diplomat said: At present, most Middle East countries do not think so, and most people think that the U.S. interference is necessary, because only this can guarantee security in the Middle East and the stability of the world's oil market. Besides, Iraq is now the strongest country in the Middle East, and nobody there is able to keep this war maniac in check. There is another opinion. Some people hold that the Arab problems should be solved by Arab people themselves and no external forces should be involved. Even these people do not fear that the Middle East will be controlled by foreign forces in the future. He added: This is a sensitive question, and this idea will not be accepted by the Arab people for the time being. For people standing on the brink of war, the future possibilities will not be considered right now.

China has had good relations with the Arab countries in the past, and they share the same anti-imperialist position. However, this time, Iraq is an aggressor, so China can not openly support it. In China's view, the Iraqi authorities were very imprudent. It fought an eight-year war with Iran, but has now returned all the prisoners of war and land. This simply negated what it did in the past eight years. The Chinese diplomat thought that this time, Iraq also did not fully assess the overall and the world situation when launching the war against Kuwait. Iraq thought that the global control by the two superpowers had collapsed and the era of the superpowers had come to an end, so it dared to take military action. Iraq has had territorial ambitions over Kuwait for a long time, and

thought that it was the opportune moment to fulfill this ambition. It did not expect that because its control over the oil resources was a major international issue, the whole world would oppose it; still less did it expect that the United States would go deeper into the Middle East through this event.

Although China was aware of the United States' ambition, and also held the same anti-imperialist position as the Arab countries, at present, as the whole world agreed to impose sanctions on the aggressor, China will not openly say this. On the contrary, China has shown a clear-cut attitude of siding with the Western countries; otherwise, it would be thoroughly isolated. However, China will not dispatch troops to the Middle East, and it hopes that the Arab countries will settle the Iraqi-Kuwaiti disputes in a peaceful way. In fact, China is also aware that at the time being, it is impossible for the Arab countries to become united.

Recently, some Iraqi and Yemeni students in Beijing staged anti-U.S. demonstrations outside the U.S. embassy, and the demonstrators were dispersed by Chinese policemen in a forceful way. Never before have the Chinese authorities treated foreign students so rudely. This also reflected the attitude of the Chinese Government.

Conclusion of Two-Plus-Four Meeting Viewed

OW1409104890 Beijing XINHUA in English
0955 GMT 14 Sep 90

["Roundup: 'Two-Plus-Four' Meeting Finishes Its Historic Task"—XINHUA headline]

[Text] Moscow, September 14 (XINHUA)—The "two-plus-four" meeting finished its historic task Wednesday after the four World War II victors and two Germans signed the agreement on German unification after their fourth talks in seven months.

Foreign ministers from the United States, the Soviet Union, France and Britain had earlier met three times with their counterparts from the Germanys examining the "external aspects" of German unification, namely the relations between a unified Germany and the European military alliance, German-Polish border, the four World War II victors' rights and responsibilities in Germany and foreign military presence in the country.

Through repeated discussions to overcome differences, they finally reached the two-plus-four agreement on German unification, a vital document for the future of Europe.

The appearance of two Germanys is the result of World War II. When the sudden changes in Europe made German unification an imminent issue, nations and people that have been nagged by the specter of the Nazi [Germany] became quite concerned over what they perceived as the potential threat of a single nation of 80 million in the heart of the continent.

Thus in the agreement, the two German Governments pledged that "only peace will emanate from German soil," and that Germany will never produce, own or use nuclear weapons.

They also said that a unified Germany will reduce its troops down to 370,000 within three to four years.

Besides, they stated that a reunified Germany will recognize the existing German-Poland border and make no "land claims."

The Soviet Union on the one hand and the West countries on the other have spent much time debating about the military-political status of a future Germany. After his meeting with Western German Chancellor Helmut Kohl in tandem in July, Soviet President Mikhail Gorbachev no longer insisted on Germany's neutral status and agreed that a sovereign Germany could decide independently which alliance it would belong to.

At a news conference after the agreement signing, Federal German Foreign Minister Hans-Dietrich Genscher declared that a future Germany will belong to NATO, but adding that the agreement signed has given consideration to the security of its neighboring countries.

On his part, Soviet Foreign Minister Eduard Shevardnadze disclosed to the press that arduous debates were carried out at Wednesday's talks over issues of Germany's military-political status before compromises were made.

It is believed that the divergences deal mainly with the Soviet troops stationed on Democratic German soil and the military status of Democratic Germany after the reunification.

The Soviet Union now keeps 370,000 men on the Democratic German soil. The agreement stated that it would pull them out before 1994. Through telephone negotiations, Gorbachev and Kohl agreed that Germany will use 12 billion marks (7.6 billion U.S. dollars) for the upkeep of Soviet troops in Germany and for those returning home.

In addition, Germany will provide the Soviet Union with 1.9 billion U.S. dollars in direct financial aid.

On the military status of Democratic Germany, Shevardnadze reminded reporters of the following provisions in the agreement: No NATO troops to be stationed on what is now Democratic German soil before a complete withdrawal of the Soviet troops; no nuclear weapons be deployed there even after all Soviet troops are gone.

The agreement, to be ratified by the legislatures of the four allies and an all-German parliament, will return full sovereignty to Germany and lead to an end of the allies' rights and obligations on German soil.

The German unity agreement, a document of historic importance, was signed at last after seven months of

open and backstage deals. Undoubtedly, a unified Germany will exert a major influence on the political pattern of Europe and of the world as a whole.

Continued Pressure on RSA Government Urged

*OW1409010190 Beijing XINHUA in English
0018 GMT 14 Sep 90*

[Text] United Nations, September 13 (XINHUA)—China today called on the international community to continue effective sanctions against the South African authorities so as to compel them to implement the declaration on apartheid.

The U.N. "declaration on apartheid and its destructive consequences in Southern Africa" provides for the fundamental principles, the program of action and the guidelines to the process of negotiations to be followed in achieving a comprehensive solution to South Africa's political and social problems, said Ambassador Li Daoyu, Chinese permanent representative to the U.N..

However, the South African authorities have not shown genuine willingness to change course, nor have they made a due response to a political settlement, Li declared in an address to the resumed session of the 44th General Assembly which began to consider the apartheid policy of South Africa Wednesday.

"They are even half-hearted about implementing the provisions of the declaration pertaining to the creation of the climate for negotiations," he added.

Adopted last year at the 16th U.N. special session, the declaration sets five pre-conditions for the establishment of a conducive climate for negotiations: lifting the ban on political parties and movements, releasing all political prisoners and detainees, ending the state of emergency, repealing all legislation circumscribing political activity, removing all troops from townships, and ceasing all political trials and executions.

Ambassador Li pointed out that the South African authorities have so far met only one of the five conditions, namely, lifting bans on political organizations. "Even so, repressive legislation remains in force in South Africa, especially the internal security act which continues to hamper normal political activities."

"We are of the view that the South African Government is duty-bound to give priority to the full implementation of the five conditions," Li said.

He also pointed out that the South African Government has an unshirkable responsibility for the recent incidents of violence taking place in certain parts of South Africa.

At present, he said, the international community should give even more vigorous support to the anti-apartheid struggle of the South African people and help solve the South African question by following the provisions of the declaration.

The Chinese ambassador called on the international community "not to slacken pressure, but to continue effective sanctions against the South African authorities so as to compel them to implement the provisions of the declaration."

He reiterated that China will, as always, firmly oppose the apartheid system of the South African authorities and will continue to give unswerving support to the South African people in their lofty cause of putting a final end to the apartheid system.

Asiad Committee Delays Decision on Iraq Entry

*OW1409101990 Tokyo KYODO in English 0758 GMT
14 Sep 90*

[Text] Beijing, Sept. 14 KYODO—The Beijing Asian Games Organizing Committee is purposely avoiding deciding on whether to allow Iraqi delegates into the athletic village before Thursday's special Olympic Council of Asia (OCA) session, Middle East sources here said Friday.

The committee's move is seen as precluding unnecessary friction with the Iraqi delegates if Thursday's session votes against Iraq's Asiad participation after they enter the village, other sources said.

The Iraq side appears to have shown understanding toward the committee's posture, according to the sources.

Iraq's soccer team has been staying on the outskirts of Beijing since late last month, and was joined this week by Iraq Soccer Association Secretary-General Adnan Drjal.

The bulk of the Iraqi delegation is expected to arrive in the Chinese capital early next week.

Official To Attend Olympic Committee Meeting

*OW1109115690 Beijing XINHUA in English
1110 GMT 11 Sep 90*

[Text] Beijing, September 11 (XINHUA)—The International Olympic Committee (IOC) will meet in its 96th congress in Tokyo during September 12-20.

The IOC Executive Board meeting will be held concurrently.

According to the Chinese Olympic Committee here today, He Zhenliang, vice president of IOC, will attend the two meetings.

The coming IOC congress will decide the venue of the 1996 summer Olympic Games and elect some members of the IOC Executive Board.

Soviet Union

Further on Xinjiang, Kazakhstan Railway

OW1409043890 Beijing XINHUA Domestic Service
in Chinese 1432 GMT 12 Sep 90

[By XINHUA reporters Wang Youfu (3076 2589 1381) and Yang Futian (2799 4395 3944), and RENMIN RIBAO reporter Zeng Kun (2582 0981)]

[Text] Urumqi, 12 Sep (XINHUA)—The western section of China's Lanzhou-Xinjiang railway and the Soviet Union's Turkmenistan-Siberian railway were successfully linked up today between the Alashankou station in Xinjiang and the Druzhba station in the Soviet Union along the Sino-Soviet border. With the linkup, the entire stretch of the widely publicized, second Eurasian transcontinental railway bridge was opened to traffic. The State Council sent a congratulatory cable extending heartfelt gratitude and high respects to people of various nationalities in Xinjiang, officers and men of the People's Liberation Army, and railway workers and staff members, who had worked hard to build the western section of the Lanzhou-Xinjiang railway.

Amid the fluttering banners and the sound of music in Alashankou today, over 700 Chinese and Soviet railway builders, cadres, and people of various nationalities conducted a grand, historic linkup ceremony at the site where the Chinese and Soviet railways were connected. At 1155 Beijing summer time and 0655 Moscow time, the track-laying machines from both sides raised their gigantic iron arms and slowly lowered the last sections of tracks onto the broad roadbed. At 1205 (Beijing summer time), Chinese Vice Railways Minister Sun Yongfu and Soviet Deputy Communications Minister (Nikitin), respectively, accompanied by Tomur Dawamat, chairman of the Xinjiang Uygur Autonomous Region, and Uzakbay Karamanov, chairman of the Kazakh SSR Council of Ministers, arrived at the site of the linkup to complete the last stage of the connection on behalf of their respective governments—tightening with spanners in successive order the bolts that connect the Chinese and Soviet railways. At 1212 Beijing summer time, the crowd broke into long, loud applause when the two vice ministers joyously exchanged their spanners after simultaneously tightening the last bolts on the two railways. Thereupon, a new transcontinental railway bridge running through Asia and Europe and totaling 10,800 km in length was fully opened to traffic. The railway joins the Pacific Ocean in the east, at Lianyungang, China; with the Atlantic Ocean in the west, at Rotterdam, the Netherlands.

Relevant Chinese and Soviet Government officials jointly signed the minutes on the railway linkup at the site. The linkup ceremony was co-hosted by Huang Baozhang, leader of the Chinese railway building delegation and vice chairman of the Xinjiang Uygur Autonomous Region, and his Soviet counterpart, Karatay Turysov, deputy chairman of the Kazakh SSR [Soviet Socialist Republic] Council of Ministers. Chinese and

Soviet cultural workers performed splendid folk songs and dances to celebrate the linkup.

Southeast Asia & Pacific

Further on Li Peng's Southeast Asian Visit

HK1409055690 Beijing JIEFANGJUN BAO in Chinese
15 Aug 90 p 3

[Article by Chen Xiong (7115 7160): "A Successful Visit That Promotes Peace, Stability, and Development in Asia—the Satisfactory Conclusion of Li Peng's Three ASEAN Nation Tour"]

[Text] From 6 to 14 August, Premier Li Peng paid an official goodwill visit to Indonesia and Singapore, and a business trip to the Kingdom of Thailand. The visit attracted worldwide attention and was a complete success; it attained what was expected. This has not only added a brilliant chapter to the annals of China's friendly relations with the three countries, but also has historical meaning and long-term implications for promoting peace, stability, and development in Asia.

Premier Li's tour was a major diplomatic move made by the Chinese Government, which strongly demonstrated that our country has made great headway in strengthening unity and cooperation with Third World countries. Ours is a developing socialist nation. The basis of our foreign affairs work is to strengthen friendly and cooperative relations with Third World countries including ASEAN nations. Of late, our country officially established diplomatic relations with Saudi Arabia, resumed diplomatic relations with Indonesia, and even began negotiations with Singapore on matters relating to the establishment of diplomatic relations. At this juncture, Premier Li paid a visit to the three ASEAN nations, which aroused keen attention and received a warm reaction from world opinion.

The first leg of Premier Li's tour was to Indonesia. This was the first visit in 23 years of a Chinese leader to this beautiful and rich country with thousands of islets; it has opened up a new chapter in the history of relations between the two countries. Both China and Indonesia are big powers in Asia, with a long history, and the people of the two countries have maintained a traditional friendship for more than 2,000 years. Since the establishment of diplomatic relations in 1950, the two countries have worked in close cooperation with each other and made significant contributions to peace and development in Asia. After a period of twists and turns, the day of great rejoicing for the restoration of diplomatic relations finally came. On 8 August, Premier Li and President Suharto attended the historical signing of the memorandum on reaching an understanding for the restoration of diplomatic relations in Jakarta, thus proclaiming to the world: The diplomatic relations between the two countries, which had been suspended for 23 years, are officially resumed as of today. During the tour, Premier Li held official talks with President Suharto in a

sincere and friendly atmosphere, and also met with other Indonesian leaders and people of all circles, thus promoting mutual understanding and friendship. The Indonesian side paid high tribute to the Chinese premier's trip, saying that it was an "historical milestone" in the history of relations between the two countries. Meanwhile, public opinion in Southeast Asia and other parts of the world pointed out that the new hand-shaking between the two Asian powers was a "political event of epoch-making significance."

The second leg of Premier Li's visit was Singapore. China and Singapore have always been good neighbours. There have been no diplomatic relations between them but they have always enjoyed good cooperative relations, with frequent exchange of visits between their leaders, and fruitful cooperation in different areas. Premier Li's visit to this "garden-like nation" added extraordinary splendor to the friendship between China and Singapore. During the visit, Premier Li Peng and Prime Minister Lee Kuan Yew held official talks and exchanged views in depth on the further development of bilateral relations; both sides agreed to conclude negotiations on the establishment of diplomatic relations. During the tour, Premier Li Peng paid an official call on President Wee Kim Wee, got acquainted with the new generation of Singaporean leaders, and visited industrial facilities and residential quarters to learn Singapore's valuable experience in economic development. The Chinese premier's visit has made outstanding contributions to an overall development of relations between China and Singapore.

Premier Li Peng also made a business trip to Thailand. Premier Li and Prime Minister Chatchai Chunhawan held talks in a sincere and friendly atmosphere, especially on the Cambodian issue. Both sides believed that maintaining an identical stand between China and Thailand is of prime importance. To this end, the two sides will keep close cooperation and consultation.

The present international situation is undergoing dramatic changes and has exerted a complex influence on different parts of the world. During the tour, Premier Li Peng had fruitful talks with leaders of the three countries on the international situation and problems of common concern. Premier Li reaffirmed that China would unswervingly pursue its peaceful and independent foreign policy; and that it had always developed friendly and cooperative relations with ASEAN nations and other countries in the world on the basis of the five principles of peaceful coexistence and the 10 principles of the Bandung conference. Premier Li paid a high tribute to the important role of the ASEAN as a regional peace group, supported ASEAN's proposal on building Southeast Asia into a peaceful, free, and neutral zone, and supported the unremitting efforts made by Indonesia, Singapore, Thailand and other ASEAN nations to seek an overall and fair solution to the Cambodian issue. Leaders of the three nations expressed satisfaction and appreciation for China's positive attitude and position.

China has always valued the development of economic and trade cooperation with ASEAN countries. It has concluded trade, science and technology, and aviation agreements with Thailand, the Philippines, and Malaysia, and its connections with Brunei have expanded gradually. China's cooperation with Singapore in the economic, trade, scientific and technological, and cultural areas has developed more rapidly than with other countries. By the end of 1989, the two countries had funded 281 joint ventures and the volume of bilateral trade reached almost \$3.2 billion. ASEAN nations have become China's major partners in regional economic and trade cooperation, and trade with our country in 1989 amounted to almost \$7 billion. Premier Li and leaders of the three nations shared the view that China is geographically close to the ASEAN, their markets are broad, and there are great prospects for helping supply each other's needs economically, thus having enormous potential for expanding cooperation. During Premier Li's visit, the Chinese Government signed trade accords with the Indonesian Government and the two countries decided to grant the most-favored-nation status to each other, having laid a favorable foundation for expanding and strengthening economic and trade cooperation. Our country also held talks with Singapore and Thailand on seeking new forms and avenues for the expansion of economic and trade cooperation.

Premier Li Peng's tour of Indonesia, Singapore, and Thailand brought the sincere friendship and best wishes of the Chinese people to the people of three countries, and returned home with profound love and friendship from them. This successful tour will certainly go down in history and radiate brilliant rays.

Australian Ambassador Visits Heilongjiang

*SK1309094890 Harbin HEILONGJIANG RIBAO
in Chinese 14 Aug 90 p 1*

[Text] At the invitation of the provincial government, Mr. Sadleri, Australian ambassador to China, and his wife arrived in our province on 13 August in the company of Wang Zengjing, vice minister of textile industry, for a five-day friendly visit. On that evening, provincial Vice Governor Du Xianzhong met with and hosted a banquet for the ambassador and his wife.

Provincial Vice Governor Du Xianzhong first extended a welcome to Mr. Sadleri on behalf of the provincial government. He said: In the past few years, new progress has been made continuously in economic and technological cooperation, trade, and cultural exchanges between our province and Australia. Some of our province's prefectures, cities, and enterprises have also had very extensive contacts with their counterparts in Australia. For example, Jiamusi City has established friendly ties with the city of (Selwyn), Australia. We also hope to expand our exchanges and cooperation with Australia in many fields in the future. Provincial Vice Governor Du Xianzhong explained to Ambassador and Mrs. Sadleri

our province's foreign economic relations and trade, and its situation in natural resources.

Ambassador Sadleri said: For many years, the Australian Government has watched very closely the economic development of northeast China, particularly Heilongjiang Province. Heilongjiang Province has the advantage of abundant oil, coal, and forestry resources, which brings brighter prospects for further cooperation between us. Australia exports a great amount of wool to China every year, and Heilongjiang also receives much of it. Our cooperation in the textile industry will be more successful. Ambassador Sadleri said that he would convey the situation described by Provincial Vice Governor Du to the government and commercial circles of his country, and build a bridge for further cooperation between the two countries.

As was learned, Ambassador and Mrs. Sadleri will visit the Harbin flax mill, woolen knitwear plant, and woolen mill, and go to Heihe for a visit.

Near East & South Asia

XINHUA Views 'Explosive' Gulf Situation

OW1409100890 Beijing XINHUA Domestic Service
in Chinese 0443 GMT 13 Sep 90

[By reporter Gao Qiufu (7559 4428 4395): "Can the 'Troop Withdrawal by Both Sides' Proposals for Solving the Gulf Crisis Be Realized?"—XINHUA headline]

[Text] Cairo, 11 Sep (XINHUA)—Arab countries have different stands on solving the Gulf crisis and have presented many proposals to solve the crisis. All these stands and proposals involve the "troop withdrawal by both sides" [shuang che jun 7175 2327 6511] problem; that is, Iraq to withdraw its troops from Kuwait and the United States and its Western allies to withdraw from Saudi Arabia and other areas in the Gulf.

On 2 August, Iraq invaded and occupied Kuwait at one blow with its 100,000-man troops. It is reported that Iraq now has stationed 260,000 troops in Kuwait, and has deployed a large number of heavy tanks and more than 800 Soviet-made "Fei Mao Tui" [7378 3029 5217] guided missiles in the country. At the same time, the United States and more than 10 of its Western allies have built up a multinational force in the Gulf region. The United States alone has sent some 100,000 Army, Air Force, and Marine troops to Saudi Arabia, and is planning to increase its troops there to 200,000. In addition, the United States and its allies have sent over 70 warships of various kinds and over 700 warplanes to the Gulf. Troops of both sides are confronting each other, and the situation is explosive.

Not long after the Gulf crisis broke out, Egypt, Syria, Morocco, Saudi Arabia, and other countries strongly condemned Iraq for invading Kuwait and asked it to withdraw from Kuwait immediately. Jordan, Yemen, Libya, and the PLO were opposed to condemning Iraq,

and did not ask it to withdraw from Kuwait. Later, the UN Security Council consecutively passed five resolutions opposing Iraq's invasion, landing Iraq into an increasingly isolated situation. At the same time, the United States and its Western allies seized the opportunity to amass a large number of troops in the Gulf region, increasing the danger of an armed conflict. At that time, Libya, Jordan, Tunis, and the PLO separately presented a proposal for solving the Gulf crisis. All these proposals contained a common important point—"troop withdrawal by both sides."

Al-Qadhdhafi and PLO Chairman 'Arafat respectively announced the "Seven-Point Peace Plan" and the "Five-Point Peace Proposal" for solving the Gulf crisis. They undisguisedly said that they had discussed their plan and proposal with Iraq before they announced them. Jordan and Tunis separately drew up the "Three-Point Plan" and the "Eight-Point Proposal." This plan and proposal were not officially announced. However, most of their contents were disclosed by the press. Whether or not these two countries discussed their plan and proposal with Iraq, nobody knows. It was reported that this plan and proposal, to varying degrees, explicitly or implicitly, asked Kuwait to cede its territory and pay an indemnity to Iraq and to hold a referendum to let Kuwaiti people decide Kuwait's future. Newspapers of some Gulf countries said this plan and proposal were apparently in favor of Iraq and were difficult to accept. However, while these four plans and proposals called for Iraq's withdrawal from Kuwait, they explicitly asked the United States and its allies to withdraw their troops from Saudi Arabia and other Gulf regions to let the Arab people solve their own problem. Some Arab people said that insistence of these plans and proposals on precluding the big powers' rude and unreasonable interference in Gulf affairs had a positive significance. However, some other people pointed out that these plans and proposals only loosely asked the confronting sides to withdraw, did not specify that both sides should withdraw at the same time, and did not specifically emphasize that Iraq should withdraw first.

The Gulf countries refused to accept the aforementioned "troop withdrawal by both sides" proposals. They maintained that the danger of Iraq launching further invasions still existed. They held that, to stop Iraq, the Gulf countries and other Arab countries alone were not enough and that a military protection umbrella provided by friendly nations was needed. However, these countries also were unwilling to let the U.S. Armed Forces stay for a long time. Recently, King Fahd of Saudi Arabia said that the U.S. troops were invited to prevent a possible Iraqi invasion and that he will ask the U.S. troops to leave as soon as the danger of Iraq's invasion ceases to exist.

Egypt, Syria, and Morocco did not vote for or against the "troop withdrawal by both sides" proposals. They had their own views. They maintained that the Gulf crisis was created by Iraq's invasion of Kuwait and in order to defuse the crisis, Iraqi troops must first unconditionally

withdraw from Kuwait. They held that this is something not to be argued about or discussed. Press in these countries held that big Western powers' troop buildup in the Gulf had served as a kind of deterrent force and had curbed Iraq's arrogance. However, it cautioned that if these big powers had ulterior motives and attempted to stay for a long time, they are bound to arouse the Arab people's discontent and opposition. Some people said that this attitude represents a stand that takes the actual situation into consideration, and, at the same time, maintains necessary alertness. Therefore, before Iraq withdraws from Kuwait, these countries will not ask the United States to withdraw its troops. But, they oppose big powers' military interference, which they fear would make the Gulf crisis more complicated. Egyptian President Mubarak said that once Iraq withdraws its troops from Kuwait, he will persuade the United States to withdraw its troops from the Gulf.

Then, can the "troop withdrawal by both sides" proposals be realized? Iraq has already annexed Kuwait. I am afraid that it will not withdraw unless there is no other way out. To safeguard its own strategic interests, the United States has seized the opportunity to increase its military presence in the Gulf. As long as Iraq refuses to withdraw its troops from Kuwait, the United States, judging from the current situation, will not withdraw readily. According to recent remarks by Baker, U.S. secretary of state, even if the Gulf crisis was defused, the U.S. troops might not leave. Moreover, differences among the Arab countries have added to the difficulties in realizing the "troop withdrawal by both sides" proposals. However, many Arab people maintain that every piece of land has its landlord, and that if someone tries to hold on to others' territories, then no one could live a peaceful life.

Pakistan's Ghulam Ishaq Khan Plans Visit

OW1309091590 Beijing XINHUA in English
0748 GMT 13 Sep 90

[Text] Beijing, September 13 (XINHUA)—Ghulam Ishaq Khan, president of the Islamic Republic of Pakistan, will pay a state visit to China from September 20 to 23 at the invitation of Chinese President Yang Shangkun.

West Europe

Joint Educational Institute Formed in Shanghai

OW1309180690 Beijing XINHUA in English
1459 GMT 13 Sep 90

[Text] Shanghai, September 13 (XINHUA)—The Shanghai Vocational Technical Education Research Institute, a project between China and Federal Germany, was set up here today.

This is one of three Sino-German co-operative projects in vocational education research. The other two are located in Beijing and Liaoning Province, respectively.

The Shanghai Research Institute will provide consultancy services in educational policymaking to the city government.

In addition, it will establish contacts, exchanges and cooperation with international vocational education institutions.

Shanghai City has 522 vocational schools, with 150,000 students and an annual enrollment of 50,000.

Ambassador to UK Calls for Increased Trade

OW1309190990 Beijing XINHUA in English
1856 GMT 13 Sep 90

[Text] London, September 13 (XINHUA)—Chinese Ambassador to Britain Ji Chaozhu today called for increased trade between China and Britain.

"The growth of our trade with Britain leaves much to be desired," he said.

Ji was speaking at a luncheon jointly held by Britain's China Association and Hong Kong Association in the city of London. More than 180 British businessmen and government officials, including former Governor of Hong Kong Lord Maclehoose, were present on the occasion.

The Chinese ambassador said that last year's two-way trade of 1.72 billion U.S. dollars, although up on 1988's 1.56 billion dollars, still put Britain behind Federal Germany, Italy and France.

"Surely we cannot allow Britain to remain for long the last amongst the major West European countries in its trade and commerce with us," he added.

After giving a brief introduction about Pudong, a newly designated economic development zone in Shanghai, Ji said: "Here, Britain is uniquely suited to join in this great venture with us to our mutual benefit."

The ambassador indicated that Britain is strong in what China needs most in the coming 10 to 20 years, including equipment and machinery associated with the infrastructure, power generation, transportation and telecommunications.

"I know there is much more we can do," he added.

Ji also invited British businessmen to invest in China's township or rural industries. "Surely British businessmen should also try to take advantage of this opportunity again to our mutual benefit."

Referring to Hong Kong, the ambassador said that Hong Kong has in a sense become the knot that binds China and Britain in a common interest of maintaining and further developing Hong Kong's prosperity and stability. "There is much common interest between China, Hong Kong and Britain in the economic and commercial field," he stated.

Training Program With Rolls-Royce Announced

*OW1309005790 Beijing XINHUA in English
0031 GMT 13 Sep 90*

[Text] New York, September 12 (XINHUA)—Rolls-Royce and the Civil Aviation Administration of China (CAAC) are to launch a joint training program, Rolls-Royce announced from Virginia, the United States, today.

A protocol agreement was signed at a ceremony in London today.

Under the arrangement to begin this month, Chinese instructors from CAAC's training colleges in Tianjin, Shanghai and Guangzhou of China will travel to England to study gas turbine technology skills with special emphasis on two of Rolls-Royce's civil engine programs, the TAY and RB211-535E4.

The project also provides scholarships for CAAC employees co-sponsored by Rolls-Royce and the Foreign and Commonwealth Office of Britain to study aspects of aviation management and technology in the United Kingdom.

Rolls-Royce is a world leader in the design, development and manufacture of civil and military aviation, marine and industrial gas turbine engines.

Latin America & Caribbean

Qian Qichen Meets With Andean Group Leaders

*OW1409060190 Beijing XINHUA in English
0540 GMT 14 Sep 90*

[Text] Lima, September 13 (XINHUA)—Visiting Chinese Foreign Minister Qian Qichen today met with the leaders of the Cartagena Accord Group, known as the Andean Pact, General Coordinator Ivac Gabaldon Marquez, the Director and Secretary Garcia Belaunde, and other leaders of the regional organization.

During the meeting, Qian praised the role of the Andean group in promoting economic cooperation and Latin American integration, citing it as an example of South-South cooperation.

He stressed that both developed and the Third World countries had to undergo an integration process in order to develop their local economies and regional cooperation.

The Chinese Government maintains its position in favor of Latin American integration and it intends to continue permanent contacts with the Andean group to seek new cooperation areas with Latin American countries, he said.

Gabaldon Marquez expressed his satisfaction at witnessing the first visit of a Chinese foreign minister to the regional organization, and said that he was convinced that the Chinese official's trip would help promote future friendly relations with member countries of the Andean pact such as Peru, Venezuela, Colombia, Ecuador and Bolivia.

Qian, who arrived here on September 9 for a four-day official visit, today left Peru for La Paz, Bolivia, to continue his Latin American tour.

Foreign Minister Qian Qichen Ends Peru Visit

*OW1409015990 Beijing XINHUA in English
0104 GMT 14 Sep 90*

[Text] Lima, September 13 (XINHUA)—Chinese foreign minister, Qian Qichen, today ended a four-day official visit to Peru and left here for Bolivian capital of La Paz, the next stage destination of his tour of four Latin American countries.

During his stay, Qian met with Peruvian President Alberto Fujimori, and with Ministers Council President Juan Carlos Hurtado Miller, who is also economy and finance minister. He also held talks with the heads of Congress, Senator Maximo San Roman and Deputy Victor Paredes, and he had a long meeting with Marchand.

The two foreign ministers declared they were satisfied with the current situation of bilateral relations, and they expressed their wish to expand cooperation ties in the fields of economy, trade, agriculture, science and technology and culture.

They also signed an agreement under which China will give Peru a loan of 30 million yuan (about 6.3 million U.S. dollars), and make a donation of 3 million yuan (about 630,000 U.S. dollars) to help promote economic recovery.

At the airport, Qian said his successful trip to Peru would further strengthen good relations and cooperation between the two countries.

The Chinese minister arrived in Lima on September 9, on the first stage of his journey to Peru, Bolivia, Colombia and Venezuela.

Political & Social**Jiang Zemin Meets With Armed Police Officers***HK1409104490 Beijing JIEFANGJUN BAO
in Chinese 3 Sep 90 p 1*

[Dispatch by Tian Xing (3944 6717): "Jiang Zemin Has Cordial Meeting With Armed Police Officers and Soldiers in Xinjiang"]

[Text] Urumqi, 1 Sep (JIEFANGJUN BAO)—On 31 August CPC Central Committee General Secretary and Central Military Commission Chairman Jiang Zemin, together with leading comrades such as members of the Central Committee Secretariat, Central Military Commission Secretary General and General Political Department Director General Yang Baibing, accompanied by the Chinese People's Political Consultative Conference Vice Chairman and the autonomous regional Advisory Commission Director Wang Enmao and Xinjiang Uygur Autonomous Regional CPC Committee Secretary Song Hanliang, had a cordial meeting with the commanders, soldiers, and retired cadres of the Xinjiang-stationed armed police force.

At 1930 on 31 August Chairman Jiang and his entourage arrived at the Xinjiang general headquarters compound in vehicles. There Chairman Jiang and Secretary General Yang reviewed the Xinjiang armed police force and had a picture taken of them with cadres, desk cadres, and retired cadres of Xinjiang-stationed armed police force at and above the regiment level. Chairman Jiang also wrote inscriptions for the Xinjiang armed police force: "Safeguard national unity, defend the motherland's frontiers, and be a loyal fighter of the socialist motherland."

Amid the long applause of the 1,000 or so armed police commanders and soldiers, Chairman Jiang made a passionate speech. On behalf of the Central Committee, State Council, and the Central Military Commission, he first gave warm regards to the whole body of commanders and soldiers of the Xinjiang armed police force. He pointed out that the Xinjiang-stationed armed police force had played a tremendous role in defending the motherland's frontiers and safeguarding its unity. He hoped the whole body of commanders and soldiers of the Xinjiang armed police force would continue to do their best; keep up the glorious tradition; contribute to the construction of Xinjiang, the motherland's border defense, and the stability and unity of the entire Xinjiang.

During his inspection tour, on 27 August Chairman Jiang also visited the entire body of cadres and soldiers of Huo er guo si [7202 1422 2654 2448] armed police border inspection depot, shook hands with each one of them and had a picture taken with all of them.

Inscriptions Written on Xinjiang Radio Anniversary*OW1209071990 Urumqi Xinjiang Television Service
in Mandarin 1300 GMT 10 Sep 90*

[Announcer-read video report, from the "Xinjiang News" program]

[Text] [Video opens with a wide-range shot of an unidentified room where scrolls and glass-framed Chinese calligraphy are seen hung on four sides of the walls] Party and state leaders and autonomous regional party and government leaders have successively written inscriptions on the 40th anniversary of the Xinjiang People's Broadcasting Station and 20th anniversary of the Xinjiang Television Station, encouraging radio and television workers of all nationalities in Xinjiang to strive to do a good job of their work and contribute more to building a new socialist Xinjiang.

The inscription from General Secretary Jiang Zemin of the CPC Central Committee reads: Ensure a Good Job in Radio and Television, Serve the People of All Nationalities in Xinjiang.

The inscription from Premier Li Peng of the State Council reads: Strive To Do a Good Job in Radio and Television, Promote Unity Among Nationalities in Jointly Building Xinjiang.

The inscription from Vice President Wang Zhen reads: Adhere to the Four Cardinal Principles in Advancing Victoriously for the Sake of Stability and Unity.

The inscription from Seypidin Aze, vice chairman of the National People's Congress Standing Committee, reads: Develop and Manage Successfully Radio and Television, Contribute More to the Building of a New Socialist Xinjiang.

The inscription from Wang Enmao, vice chairman of the National Committee of the Chinese People's Political Consultative Conference [CPPCC] and chairman of the autonomous regional advisory commission, reads: Radio and Television Should Publicize Extensive and In-Depth the Merits of Socialism.

The inscription from Ismail Amat, vice chairman of the National CPPCC Committee and minister in charge of the State Nationalities Affairs Commission, reads: Strive To Do A Good Job in Radio and Television and Use Modern Media to Serve the People of All Nationalities in Xinjiang Uygur Autonomous Region, Its Socialist Cause, the Motherland's Unification, and the Grand Unity of People of All Nationalities.

The inscription from Song Hanliang, secretary of the autonomous regional party committee, reads: Strive To Do a Good Job in Radio and Television, Follow the Correct Direction in Guiding Public Opinion.

The inscription from Tomur Dawamat, chairman of the autonomous regional people's government, reads: Ensure a Good Job in Radio and Television to Serve the People of All Nationalities.

[As announcer reads each of the inscriptions, camera shows close-up shots of the respective inscription written in either Chinese or Uygur]

Responsible comrades of the relevant central departments Wu Lengxi, Mei Yi, Yu Wen, and Li Xianglin, as well as chairman Bu He of Inner Mongolian Autonomous Region, have also written inscriptions on the 40th anniversary of the Xinjiang People's Broadcasting Station and 20th anniversary of the Xinjiang Television Station.

Administrative Procedure Law Effective 1 Oct

*OW1409060590 Beijing XINHUA Domestic Service
in Chinese 0526 GMT 13 Sep 90*

[Excerpts] Beijing, 13 Sep (XINHUA)—The Administrative Procedure Law will go into effect as of 1 October 1990. The State Council recently held a special telephone conference regarding the implementation of this law. The conference called on governments at all levels and various departments under the State Council to clearly understand the importance of implementing the Administrative Procedure Law and to make full preparations for its implementation. [passage omitted]

It has been learned that some problems in implementing the Administrative Procedure Law await urgent solution. To this end, the State Council has instructed its various departments and governments at all levels to make a comprehensive check in this regard before the law is put into effect. They should explicitly abolish all illegal inapplicable regulating documents, strengthen their control over administrative law enforcement organs, and strictly rectify rules, regulations, and regulating documents surpassing the terms of reference, going against legal procedures, or affecting the unified socialist legal system. It is necessary to resolutely stop institutions or organizations without law enforcement authority from exercising such authority and to resolutely put an end to fining people, collecting fees from them, or setting up checkpoints at will. [passage omitted]

Ren Jianxin Speaks on Administrative Law 13 Sep

*OW1309175390 Beijing XINHUA in English
1520 GMT 13 Sep 90*

[Text] Zhengzhou, September 13 (XINHUA)—More and more Chinese citizens are coming to understand the Administrative Procedure Law, the first of its kind in China, and protect their lawful rights and interests according to the law, said Ren Jianxin, president of the Supreme People's Court, here today.

Ren made the remark at the national meeting of the Supreme People's Court on implementation of the Administrative Procedure Law, attended by senior judges from the countries' provinces, municipalities and autonomous regions.

Over 31,000 administrative cases have been handled by people's courts at the various levels since they set up

administrative divisions six years ago, said Ren, adding that more than 20 kinds of the state's administrative organs are involved in these cases including public security, industry and commerce, taxation, customs, mineral resources, environmental protection and food hygiene.

According to the law, a citizen, legal person or organization, considering his or its lawful rights and interest have been infringed upon by a specific administrative act of an administrative organ or its personnel, has the right to bring a suit before a people's court.

Ren said that the law, to be implemented October 1 this year, will ensure the state's administrative organs to exercise their powers and citizens' legal rights and interests be protected.

He added the law has opened a new channel to strengthen associations between the governments at various levels and broad masses, and it will also help safeguard social stability.

He noted that about 20 percent of local courts have not yet set up administrative divisions while those with administrative divisions do not have enough judges.

The people's courts should properly deal with the relations between protecting the lawful rights and interests of citizens, legal persons and organizations and safeguarding and supervising the powers of the state's administrative organs, the president said.

International Copyright Relations To Normalize

*OW1309175590 Beijing XINHUA in English
1453 GMT 13 Sep 90*

[Text] Beijing, September 13 (XINHUA)—China has taken an important step in normalizing copyright relations with foreign countries by adopting its first copyright law last week, a high-ranking official said here today.

Liu Gao, deputy director of the State Copyright Bureau, told a press conference: "We will protect the copyright of works published by foreign authors outside China in accordance with agreements concluded by China and foreign countries or the international conventions that China has joined.

However, he said, there should be a development process in realizing normalization of foreign copyright.

Externally, he added, the relations should be well coordinated between countries, especially the relations between developing countries and the developed ones. Specific measures will be found for the two sides.

Internally, he said, China has to establish a complete administrative and judicial management organization which is able to meet the obligations stated in foreign contracts.

China's first law on copyright was adopted at the 15th meeting of the Standing Committee of the Seventh National People's Congress September 7 and becomes effective June 1, 1991. China has not yet joined the international copyright convention.

Therefore, the deputy director said, "the copyright of works by foreigners are not yet legally protected in China."

But, he said, foreigners enjoy copyright when their works are first published in China.

He explained that the copyright should be protected if a Chinese publishing unit obtains a license for copying foreign books and magazines and holds the copyright. Other Chinese publishing units should not copy or publish the same kind of book or magazine.

The copyright of books or magazines published jointly by a Chinese publishing unit and foreign publishing unit is protected in the same way as books and magazines published by Chinese publishing houses.

Liu Gao said that the central government has also adopted some administrative regulations to protect the copyright of works by authors from Taiwan, Hong Kong and Macao. "These regulations will remain unchanged despite the enforcement of the copyright law," he noted.

Meanwhile, China is making efforts to quicken the pace of drafting specific regulations on the implementation of the Copyright Law, such as regulations for protecting software and the standards of remuneration for using others' works.

Court Official Encourages Legal System Education

OW1209102890 Beijing XINHUA Domestic Service in Chinese 1004 GMT 7 Sep 90

[Article By XINHUA reporters Sun Benyao and Zhang Xiutang (1728 1372 1016): "Striving To Develop Legal System in China—Duanmu Zheng, Man in the News"]

[Text] Beijing, 7 Sep (XINHUA)—Today our country's highest judicial organ has added an additional law-enforcement official from among the members of democratic parties and groups. Duanmu Zheng, an international law expert, Standing Committee member of the China Democratic League Central Committee, and chairman of the Guangdong Provincial Committee of China Democratic League, has been appointed vice president and Judicial Committee Member of the Supreme People's Court by the 15th Session of the Seventh National People's Congress [NPC] Standing Committee, which ended today.

This doctor of law, who has devoted his whole life to education and research showed his modesty and determination when referring to his new mission: "I am already 70 years old. I may not be competent at the job as I do not have any working experiences in the court. However, since I have been appointed for this job, I will

surely devote myself to my duty and do my very best to gradually establish the legal system in our country within the limits of the Constitution, laws and regulations."

Duanmu Zheng, as vice chairman of the Guangdong Provincial People's Congress Standing Committee, attended this NPC Standing Committee meeting as an observer. Interviewed by reporters, he frankly aired his views on existing problems in the development of the legal system in China, saying: "While the fact that there was no law to go by was an acute problem 10 years ago, another acute problem now is disregard for laws. Disregard of laws and laxity in law enforcement indicate problems with leadership, the masses and law-enforcement personnel. In short, it is necessary to enhance everyone's awareness of the law.

"To enhance awareness of the law, it is necessary to first raise cultural quality." Duanmu Zheng has his own opinions on the development of legal system: "Illiteracy and ignorance of the law are closely related. It is necessary to eliminate illiteracy before ignorance of the law can be eliminated. Though certain laws such as the Marriage Law and the Forest Protection Law were published a long time ago, in some localities they are poorly implemented because of the masses' low educational level and their low-level awareness of the law. Therefore, the key to speeding the development of the legal system lies in education."

Duanmu Zheng maintained that our country has to develop socialist democracy and the legal system. In fact, the four modernizations cannot be accomplished without the establishment of the legal system. However, developing the legal system takes time. Every country in the world is improving its own legal system. We should gradually improve our country's legal system by doing a lot of solid work.

Duanmu Zheng is a Hui and native of Anqing, Anhui. Early on, he studied in Wuhan University and Qinghua University, continuing his studies in France, where he obtained a doctorate of law. Over the decades, he has successively taught in Lingnan University and Zhongshan University, and has been professor of the Law Department of Zhongshan University, director of the Law Research Institute, member of the Hong Kong Basic Law Drafting Committee, and deputy of the Seventh NPC.

Ren Jianxing, president of the Supreme People's Court, made this evaluation of Duanmu Zheng when proposing his appointment: He is fluent in French, English and Russian, is rather well-known in law circles, both at home and abroad, supports the CPC, and cherishes an ardent love for socialism.

At the end of the interview, Duanmu Zheng said: "I am a member of the China Democratic League. My appointment to the Supreme People's Court demonstrates the spirit of multiparty cooperation under the Communist

Party's leadership. I will devote all my energy to building socialism with Chinese characteristics under the Communist Party's leadership."

Official Examines Legal Aspect of Government Work

*OW1309134790 Beijing XINHUA Domestic Service
in Chinese 0453 GMT 12 Sep 90*

[By reporter Zhou Lixian]

[Excerpts] Beijing, 12 Sep (XINHUA)—The people's governments at various levels and their departments are now getting ready for the implementation of the Administrative Procedure Law, which will go into effect on 1 October. The implementation of this law signifies a step forward in institutionalizing China's government work based on the rule of law.

Sun Wanzhong, director of the Bureau of Legislative Affairs under the State Council, said in an interview that since the Third Plenary Session of the 11th CPC Central Committee, under the guidance of the strategic policy of "simultaneously attending to national construction and development of legal system," which was laid down by the party Central Committee and the State Council, people's governments at various levels have actively discharged their responsibilities prescribed by the laws, and have done a lot of work in the fields of administrative legislation, administrative law enforcement, and the supervision and investigation of the enforcement of administrative laws. They have done their share in accomplishing the transformation of governmental functions and in ensuring steady political, economic, and social development in China. According to statistics, since 1979, the State Council has formulated over 600 administrative laws and regulations, while over 20,000 administrative regulations have been formulated by the departments under the State Council; the people's governments of the various provinces, autonomous regions, and municipalities; as well as the people's governments of major cities approved by the State Council and of cities serving as provincial capitals. In addition, the State Council has submitted more than 70 percent of the draft laws on the management of the government to the National People's Congress and its Standing Committee, while local people's governments have submitted more than 95 percent of the drafts of local decrees to the people's congresses and their standing committees at the corresponding levels. These have provided the necessary legal framework for the management of the government. While intensifying administrative legislation, people's governments at various levels have actively enforced administrative laws and conducted supervision and investigation of the enforcement to ensure the correct implementation of laws, regulations and administrative rules. [passage omitted]

Touching on the legal aspect of government work, Sun Wanzhong said: Leaders of the State Council have attached great importance to the legal aspect of government work and have called for standardizing and institutionalizing government work under the rule of law. He

said that the development of a legal system within the government is an important basis of all government work, as well as an objective requirement that enables the government to be run according to laws. It also provides an important guarantee for success in improving the economic environment, rectifying the economic order, and deepening reform, as well as for further development of political, economic, and social stability. Therefore, the government should use economic, administrative, and legal means in managing political, economic and social activities while trying its very best to standardize and institutionalize its economic and administrative means to minimize irregularities in government activities.

CPPCC Delegation Visits Gansu 13 Sep

*HK1409043190 Lanzhou Gansu Provincial Service
in Mandarin 2300 GMT 13 Sep 90*

[Text] The Chinese People's Political Consultative Conference [CPPCC] national committee inspection delegation had a discussion with provincial leaders and persons in charge of relevant departments in the (Ningwozhuang) Guesthouse auditorium yesterday morning [13 September]. The delegation offered valuable comments and suggestions on strengthening the development of the three-north shelter-forest and promoting Gansu's economy. Inspection delegation head Deng Zhaoxiang said in his speech: Our inspection in Gansu this time has left us with an extremely profound and beautiful impression. Guided by the 13th CPC Central Committee's Sixth Plenary Session and correctly led by the Gansu Provincial CPC Committee and Government, great achievements have been obtained in Gansu's industrial and agricultural production and other domains. Particularly, they have blazed some valuable new trails in preventing and controlling sand encroachments, and in developing the three-north shelter-forest.

Delegation deputy head Chai Zemin said in his speech: Many of the delegation members have never been to Gansu before. They believed it must be a bleak and backward place. But after we have seen the changes in Gansu in the last four decades since liberation, we feel proud of what the Gansu people have achieved. But we should also be able to see the existing problems, for example, drought and water shortages, deterioration of the environment for agricultural production, sandstorm encroachment, and the watertable's decline, which have seriously inhibited agricultural production development. The delegation members suggested Gansu authorities take steps to protect the production environment. They cannot plant trees while destroying the production environment at the same time. Reckless tree-felling should be seriously dealt with according to law, and the relationship between agriculture and forestry should be well handled. Chai Zemin continued: Comrades in Gansu say that since the current policy is good and the natural conditions favorable, as long as we carry forward the spirit of making painstaking efforts while living a plain

life, we will definitely be able to overcome difficulties and solve existing problems.

Delegation members (Ma Qian), (Liu Huafeng), (Hou Renzhi), (Zhao Weigang), (Zhao Ziyang), (Lin Shengzhong), and (Huang Shu) also voiced their opinions and offered their suggestions.

Provincial party Vice Secretary Lu Kejian said in his speech: The CPPCC national committee members have appraised our work and put forward valuable opinions and suggestions. The governments at various levels in our province will definitely pay close attention to them. Though great changes have taken place in Gansu, it remains a backward province that needs much support and concern from you. We are grateful to the members for their plan to report to the central authorities and the State Council when they are back in Beijing, on Gansu's problems and difficulties in developing agriculture and forestry. He wished the delegation members good health and successful inspection.

Other provincial leaders present at the discussion included Xu Feiqing, Ge Shiyang, Wu Jian, Mu Yongji, Huang Zhengqing, (Tian Xiaosen), Ma Zulin, (Yu Shucheng), Zhu Xuanren, Qin Shiwei, Cui Guoquan, and (Chen Jianhong).

The CPPCC national committee inspection delegation left Lanzhou yesterday afternoon aboard a plane for Dunhuang on another inspection trip.

Procuratorial Work Conference Held in Henan

HK1309144090 Zhengzhou Henan Provincial Service in Mandarin 2200 GMT 12 Sep 90

[Text] Supreme People's Procuratorate Deputy Procurator General Zhang Siqing pointed out on 12 September that at present, civil and administrative procuratorial departments of procuratorial organs should explicitly shift the focus of their work to implementing Administrative Procedural Law. He made these remarks at the National Conference on Procuratorial Organs' Work of Implementing the Administrative Procedural Law, which was held in Zhengzhou.

The conference summarized and exchanged procuratorial organs' work experiences relating to supervision, investigation, research, and selected experiments concerning civil and administrative procedural law over the past year and studied and planned work to be done after the law is implemented.

Zhang Siqing said procuratorial organs exercising legal supervision over civil and administrative lawsuits represents a new field and a new characteristic of procuratorial work. Investigations, research, and selected experiments carried out in the previous period have opened up a new prospect for procuratorial organs exercising legal supervision over civil and administrative lawsuits and enriched the Administrative Procedural Law regarding

its stipulation on procuratorial organs exercising supervision over administrative lawsuits.

Zhang Siqing pointed out that at present, work should focus on properly implementing and carrying out the law. The civil and administrative procuratorial departments of procuratorial organs should explicitly shift the focus of their work to implementing the Administrative Procedural Law to promote and push ahead with the overall professional work.

Zhang Siqing said at present, legal supervision exercised by procuratorial organs over administrative lawsuits is mainly embodied in an appeal against lawsuits, which is lodged in accordance with the trial supervision procedure. After the Administrative Procedural Law is implemented, in the process of appealing against legally effective judgements and verdicts made by people's courts in accordance with the law, various areas must adhere to the principle of being enthusiastic, conscientious, cautious, and reliable; acquire a detailed understanding of cases; accurately handle cases; and guarantee quality. In the meantime, it is necessary to continue to carry out in-depth legal supervision over civil and administrative lawsuits; carry out investigations, research, and experiments at elected points; summarize experiences; and accumulate materials to lay a foundation for the overall unfolding of the professional work in the future and provide a practical basis for revising and supplementing the law.

During the conference, leading comrades of the Henan Provincial Party Committee and provincial government, including Hou Zongbin, Li Changchun, Zhao Di, Zhang Zhigang, Song Zhaosu, and others, went to to see the participants at the conference.

Directors of civil and administrative procuratorial departments of various provincial, municipal, and autonomous regional procuratorial organs and some chief procurators in charge of the work attended the conference.

Zhao Wenlong, vice chairman of the provincial People's Congress Standing Committee, also attended the conference.

Series Explains Role, Function of CPPCC

OW1409075590 Beijing XINHUA in English 0722 GMT 14 Sep 90

["This is the 116th in the series 'Knowledge About China,' which began April 16"—XINHUA editor's note]

[Text] Beijing, September 14 (XINHUA)—The Chinese People's Political Consultative Conference (CPPCC) is a patriotic united front organization led by the Chinese Communist Party of China (CPC). Its fundamental function is to exercise political consultation and democratic supervision.

The CPPCC is composed of influential representatives from all walks of life including the Communist Party and

eight democratic parties, people with non-party affiliations, and people's organizations.

Before a decision on major issues relating to state and local principles and policies as well as people's life is made, the CPPCC will meet to discuss them and solicit opinions and suggestions from people of different spectra.

Besides, the CPPCC performs its consultative and supervisory functions with regard to government work and the implementation of the country's constitutions and laws by making criticism and suggestions.

The basic tasks of the CPPCC are, under the banner of socialism and patriotism, to mobilize all positive factors and unite with all that could be united to safeguard and develop the country's political stability and unity and build China into a modern socialist country.

The CPC-led multiparty cooperation and political consultation, like the system of the people's congress, is a basic political system. And the CPPCC is an important form in realizing the CPC-led multiparty cooperation and political consultation.

In addition to the National Committee, the CPPCC has set up local committees in all provinces, autonomous regions, municipalities and counties, which work under the guidance of their standing committees.

Minority Regions Discuss Local Laws, Regulations

OW1309142390 Beijing XINHUA Domestic Service
in Chinese 0724 GMT 11 Sep 90

[By reporter Qin Fengtong (4440 7685 2717)]

[Text] Yinchuan, 11 Sep (XINHUA)—At the national forum on legislation in minority ethnic regions held recently in Yinchuan, the State Council's Bureau of Legislative Affairs disclosed: Various State Council departments and people's governments at all levels have conducted a general screening of rules formulated by government organs at various levels to ensure they do not contravene laws and regulations. Up to now, some 10,000 regulatory documents have been screened by various provinces and autonomous regions in the country.

An administrative lawsuit is where a citizen, legal person, or other organization files a charge with a people's court against an administrative organ. China's Administrative Procedural Law will take effect on 1 October this year. It requires that all administrative activities and means should have a corresponding legal basis. Rules formulated by governments at various levels, in particular, must be clearly authorized by law to ensure their legality and feasibility. Since the beginning of this year, all provinces, municipalities, and autonomous regions have conducted an overall screening of existing rules promulgated by governments at provincial, prefectural, and county levels and their subordinate departments. As instructed by the State Council, each

level of government was responsible for and was to coordinate and conduct the screening at its own level. That is, regulatory documents formulated and promulgated by an administrative organ at any given level, or promulgated by its subordinate departments with its consent, were screened by the administrative organ at that level. Most provinces and autonomous regions also laid particular emphasis on the screening of the rules of public security, industry and commerce administration, taxation, land administration, commodity prices, commerce, family planning, public health, environmental protection, auditing, measuring, and finance departments that often come into direct contact with the masses.

In the course of this nationwide screening, governments at all levels focused on rules concerning fines and revocation of permits and licenses. After the screening, all localities divided their rules into three categories—valid, require revision, to be rescinded—and handled them accordingly. Rules set by any administrative organ that went against state laws and regulations, the laws and regulations of the province or autonomous region where the administrative organ was located, or relevant documents of its higher authorities, were corrected, revised, or abolished by the administrative organ itself. The Inner Mongolian Autonomous Region has successively screened 501 laws and regulations formulated by the regional authorities since its establishment. After some checking and appraisal, the autonomous regional government decided to annul 251 of the total. While screening Chinese-language laws and regulations, the government also screened its Mongolian-language ones issued during the same period.

Greetings Letter Issued to University Freshmen

OW1209154990 Beijing XINHUA Domestic Service
in Chinese 0813 GMT 6 Sep 90

[Text] Beijing, 6 Sep (XINHUA)—On the occasion of the reopening of colleges and universities throughout the nation, the State Education Commission issued a letter of greetings to all freshmen, urging them to fully develop themselves morally, intellectually, and physically.

The letter said: "To build a prosperous, democratic, and civilized modern socialist power has become a common goal of the people of all nationalities throughout China. We have achieved our first strategic goal under the CPC's leadership. The entire people are now working hard in high spirits to overcome difficulties and accomplish the second strategic goal. Our country is not prosperous and strong enough and needs many more talented people. However, youths who are fortunate enough to be selected for higher education represent only a very small percentage of the youths of their age group. For that reason, you should be fully aware of your mission and responsibilities, value this golden opportunity by constantly improving yourself in your studies,

refrain from arrogance and frivolousness, and firmly cultivate the correct idea of studying for the motherland and serving the people.

"Institutes of higher learning are the important grounds where builders and successors of the socialist cause are trained. Therefore, as soon as you are admitted into colleges and universities, you should have a clear understanding, and should always give priority to following a correct political direction by adhering to the four cardinal principles and opposing bourgeois liberalization. You should conscientiously study and gradually master the stand, viewpoint, and methodology of Marxism, and strengthen the power to resist corrosion, infiltration and peaceful evolution. You should strictly follow college discipline and regulations, improve moral conduct, participate in social practice, understand the conditions of our country, learn from the workers and peasants, and temper yourselves to become reliable successors to the revolutionary cause of the proletariat."

The letter pointed out that there is a vast difference between secondary and college education in terms of living environment as well as the styles and methods of study. You should follow the teachers' guidance, and complete the switchover and adapt to campus life as soon as possible. You should work with perseverance, redouble your efforts, and move forward along the tortuous road to scale new heights in science.

In concluding its letter, the State Education Commission encouraged freshmen to grow and train themselves to become professionally qualified people, and contribute their share to the great cause of preserving social stability, promoting reform and opening to the outside world, and accomplishing socialist modernization with Chinese characteristics.

Wang Zhen Views Teachers 'Sacred Responsibility'

*OW1209211190 Beijing XINHUA Domestic Service
in Chinese 1040 GMT 9 Sep 90*

[Letter dated 9 September 1990 to teachers of middle and primary schools and kindergartens throughout the country from Wang Zhen, PRC vice president and president of the China Award Foundation for Teachers of Middle and Primary Schools and Kindergartens]

[Text] Comrade teachers of middle and primary schools and kindergartens throughout the country:

With the advent of Teachers' Day 1990, I wish to extend warm festive congratulations to you on behalf of the China Award Foundation for Teachers of Middle and Primary Schools and Kindergartens, an organization working under the guidance of the State Education Commission. I also wish to take this opportunity to express my heartfelt thanks to those comrades and friends who are concerned about and support the work of education.

Training generation after generation of reliable successors imbued with high ideals, morally sound, and well educated and disciplined to carry on the proletarian revolutionary cause is an unique lofty task of the broad masses of comrade teachers. To this, you have devoted your intelligence, wisdom, and industrious work, and the party and the people are grateful to you.

The past 41 years since the founding of the People's Republic have seen a great development of the work of education in socialist New China. Since the Third Plenary Session of the 11th CPC Central Committee, still greater attention has been paid to the work of education by the party Central Committee and the State Council. Comrade Deng Xiaoping set the great long-range goal of gearing education to the modernization program, the world, and the future. When Comrade Li Peng was the minister in charge of the State Education Commission, he earnestly studied the relevant proposals made at the sessions of the National People's Congress and the National Committee of the Chinese People's Political Consultative Conference and asked governments at all levels to increase their educational expenses. He also proposed that a mass organization known as the China Award Foundation for Teachers of Middle and Primary Schools and Kindergartens be established, and that education experts, public figures, and scholars enthusiastic about education be invited to join this organization to solicit donations of funds on a wide scale to promote the work of education. Facts have proven that the establishment of this foundation accords with our national conditions and the people's will. Last year, following the quelling of the counterrevolutionary rebellion, Comrade Jiang Zemin said in his speech marking the 40th anniversary of the founding of the People's Republic that throughout the process of achieving the strategic goal of economic construction under the socialist modernization program, we must persist in putting education in a strategic position that receives priority for development. Thanks to joint efforts by the party, government, education departments, and all sectors of society, the social status of the people's teachers is being raised step by step, their working and living conditions are being improved, and their job is becoming a glorious profession respected by all in society.

The hope of China's prosperity lies in education, while the hope of developing education is placed on teachers. While encouraging the broad masses of teachers to carry forward the spirit of sacrifice and dedication, we should do more solid work to improve the teachers' social status and material remuneration on the basis of further developing our economy. Award foundations at the national, provincial, and county (city) levels throughout the country will give citations and awards to teachers of middle and primary schools and kindergartens periodically and on a large scale under the guidance of the education departments of their respective levels. Teachers' wages will be raised gradually so that they will be higher than the average wages of staff members and workers as well as cadres of party and government

departments. It is necessary to establish the medical-care, retirement, and insurance systems to encourage teachers to remain at their work posts their entire lives. We should see to it that the job of teacher will become a profession truly respected and admired by all, to attract more outstanding youths to engage in education.

Comrade teachers, if we are to frustrate the "peaceful evolution" scheme of hostile forces at home and abroad, build socialism with Chinese characteristics, and march toward brilliant communism, it is necessary to raise the quality of the Chinese nation as a whole. In this regard, you have a special sacred responsibility. I believe that under the guidance of Marxism-Leninism-Mao Zedong Thought, you are bound constantly to improve ideologically and politically, as well as professionally and culturally. I believe you will work conscientiously to fulfill your duty, impart knowledge, educate people, be worthy of the name of teacher, and make new and even greater achievements in this regard.

I wish you a happy festival. Please convey my cordial regards to your families, who have been giving great support to your work.

National Rural Education Reform Seminar Opens

SK1109094590 Harbin HEILONGJIANG RIBAO
in Chinese 10 Aug 90 p 1

[Text] The seminar on the comprehensive rural educational reform of 28 provinces and autonomous regions opened in Qiqihar City on 9 August. Attending and speaking at the seminar were Chen Decai, deputy director of the vocational education department under the State Education Commission; Teng Chun, deputy director of the Central Education Research Institute; Xie Ruowang, vice chairman of the board of directors of the national office for comprehensive rural educational reform; and Chen Yunlin, vice governor of Heilongjiang Province. Also attending were educational workers from the country's 28 provinces and autonomous regions; deputy prefectural and county heads as well as vice city mayors of the province who are in charge of educational work; chairmen of education commissions of various prefectures, cities, and counties in the province; and pertinent leaders of the 23 prefectures and counties which carry out the prairie fire program, more than 200 persons in all. Ji Hua, vice chairman of the provincial People's Congress Standing Committee, and Huang Feng, vice chairman of the provincial Committee of the Chinese People's Political Consultative Conference, also attended the seminar.

On behalf of the provincial party committee and the provincial government, Chen Yunlin extended congratulations on the opening of this seminar. He said: Because our's is a major agricultural province, we deeply understand that it is necessary to invigorate agriculture before invigorating the province, and it is necessary to invigorate education before invigorating agriculture. The rural educational reform is a major issue which has a bearing on the development of agriculture, and is, at the same

time, in keeping with the province's overall direction of educational development. The provincial party committee and the provincial government have done some work and achieved some achievements by placing the rural educational reform in the macro-environment of invigorating agriculture through science and technology. However, we know that there is still a long way to go. This seminar provides us a good opportunity to learn from fraternal provinces and autonomous regions. We will certainly use this good opportunity to push the province's rural educational reform onto a new stage.

Chen Decai made a speech on behalf of the State Education Commission. He said: The greater part of our country's population lives in the countryside, and the greater part of the population with or below middle level of education lives in the countryside too. Over the past few years, the work focus of the State Education Commission has witnessed a fundamental change, that is, shifting the focus on lower levels, strengthening the attention to basic education and the various kinds of education of or below the middle level, and strengthening the attention to the rural education. This is a very important change. Only when we make the rural education a success will our country's educational undertakings as a whole be promising.

Referring to the basic ideological trend of the rural educational reform, he added: In carrying out the comprehensive rural educational reform, we should comprehensively implement the educational principle; place the moral education in the most important position; straighten out educational ideas; reform managerial system; readjust educational structure; improve teaching content and methods; persist in integration of the basic education, the vocational education, and the adult education; make overall planning for agriculture, science, and education; gradually establish an educational system suitable for the building of rural socialism; gradually form a favorable mechanism under which education and the economic and social development promote each other; improve the quality of teaching and the efficiency of running schools; and enable education to play a relatively great role in building rural socialism.

This seminar is cosponsored by the national institute for research of the comprehensive rural educational reform and the provincial education commission. Participants in this seminar will exchange experiences of various localities gained from the rural educational reform, will research how to further deepen the comprehensive rural educational reform by integrating theory with practice, and will better consolidate the front of rural socialism in the fields of the economy, politics, and ideology. Ten schools in Qiqihar City's Longjiang, Fuyu, and Nehe counties will be made available as places of visit and will introduce their experiences.

This seminar is scheduled for six days.

Official Stresses Marxist Political Education

HK1309010790 Beijing RENMIN RIBAO in Chinese
29 Aug 90 p 3

[Report by Wu Wei (0702 4850) and Hao Fang (6787 5302): "He Dongchang, Vice Minister of the State Education Commission, Calls on Teachers of Political Theory Courses To Behave as Marxists"]

[Text] (RENMIN RIBAO)—According to a ZHONGGUO JIAOYU BAO report, when addressing a "study class for heads of Marxism-Leninism (Social Sciences) Departments of institutes of higher learning" held in Dalian recently, He Dongchang, vice minister of the State Education Commission, pointed out that Marxist theory teachers must not only take up teaching but must also bear in mind their role as Marxists, be concerned about the motherland's future and the emancipation of the proletariat, show great foresight, and take the initiative in applying Marxism to analysis of major historical events.

He Dongchang said: Given the conditions of the opening-up era and the intensified offensive by foreign hostile forces, it is necessary to ensure that socialist thought dominates the entire ideological front including teaching at institutes of higher learning, and to enhance the Marxist ideological standard on the part of party cadres and the vast number of teachers as well. In this regard Marxist theory teachers have a lot of things to do. We must thoroughly study a "textbook"—the case of the political contretemps and the quelling of the turmoil during the 70 days between the spring and summer of last year, and a "reference book"—the recent drastic changes that took place abroad. The study of these two aspects involves a series of major events that took place during the past 10 years of reform and opening up, the past 40 years since the PRC's founding, the past 70 years since the May Fourth Movement, and in the international communist movement. From this study we will be able to draw some lessons, positive or negative, of fundamental significance. The facts that occurred during those 70 days have proven the correctness of the judgment that class struggle still exists within a certain scope under socialist conditions. We must study why class struggle exists within a certain scope and what this certain scope really means. Facts have shown that the weapon of class analysis must not be given up in the ideological field, otherwise it will mean the abandon of Marxism. As theoretical study plays a dominant role in the ideological field, the research, teaching, and study in Marxism are of special importance in institutes of higher learning. Now that foreign hostile forces are stepping up their attempt to effect a peaceful evolution in China and that class struggle exists within a certain scope at home, the teachers' contingent in a school which is not well prepared in terms of theoretical understanding will not be politically strong enough.

He Dongchang pointed out: We have achieved great successes in the past year. In the wake of a turn for the better in the situation in ideological and political work,

we can now justly and forcefully oppose bourgeois liberalization. Our party's correct central collective leadership with Comrade Jiang Zemin as the core has emerged. Educated by facts, the vast number of party members and masses have enhanced their understanding and have reached a common understanding on the opposition to bourgeois liberalization. What is of fundamental significance is that we must be aware that our struggle against bourgeois liberalization is the key link of class struggle which is independent of man's will. We are liable to punishment if we do not struggle against bourgeois liberalization. The ideological trend of bourgeois liberalization shows itself as a kind of ideological struggle and, if it is allowed to spread unchecked, it will turn out to be a kind of political struggle. And, once it manages to hoodwink part of the masses, it will inevitably give rise to turmoil, and the ultimate goal of this trend is to seize political power. This has already been fully proved by the course of the development and spread of bourgeois liberalization and the 70-day struggle. It is not up to us whether to oppose it or not, we have no other choice but to oppose it, otherwise the consequences would be disastrous. The masses will enhance their understanding through this struggle, thus it will be less possible for any setback to occur. We must educate our younger generations with the cases of those who stirred up turmoil and thus make young people realize the nature of bourgeois liberalization and its perniciousness. At present, we are still facing very arduous tasks ahead regarding opposition to bourgeois liberalization, the criticism that we have waged against some erroneous theoretical views are still far from enough, and we still have a long way to go before we can clear away the influence of the bourgeois outlook on life, standard of values, and other decadent ideologies.

He Dongchang emphasized: In order to ensure that Marxism dominates institutes of higher learning, we must maintain a high militant spirit. Marxism, in substance, is a revolutionary and critical theory which has been developing in the course of struggle. We must particularly bear this in mind under the circumstances of reform and opening up. Of course, the struggle against the hostile classes is different from the criticism against wrong tendencies within our rank and file. We certainly must strictly distinguish the former from the latter and must never commit again the kind of "leftist" mistakes that we committed in the past. We must try to unite with all people except those diehard supporters for bourgeois liberalization. While criticizing those who hold to erroneous theoretical views, we must let them defend their views; and we must be patient with those who cannot get their thinking straightened out for the moment. Doing this will help cultivate an atmosphere that encourages all schools of thought to contend.

He Dongchang emphatically pointed out: Institutes of higher learning are where intellectuals are fostered, and the kind of intellectuals that we foster must be members of the working class who hold to the working class' stand and have a sense of mission. Higher requirements should

be set for Marxist theory teachers—they must first be fighters who "fight for truth" as required by the "Internationale." They must be brave in upholding whatever is true and correcting whatever is false. Only those who behave this way can be counted as followers of Marxism.

Theoretic Questions in Practicing Socialism Viewed

HK0809032590 Beijing GUANGMING RIBAO
in Chinese 13 Aug 90 p 3

[Article by Gao Jiansheng (7559 0256 3932): "Have a Correct Understanding of Several Theoretic Questions in Practicing Socialism"]

[Text] The application of Marxist standpoint, viewpoint, and method to study socialist theory, to analyze and understand a series of important questions of socialism, and to correct some deviations made in understanding is of important practical significance to further strengthening confidence in socialism.

What deviations in understanding the questions of socialism exist among some comrades?

1. On the relations between the diversification of the road of the specific development of socialism and the basic characteristics and principles of the socialist system. As a brand-new social system in the history of mankind, the road of the specific development and form of socialism varies in the different specific situations of different countries and nations in the world, shows different varied and colorful characteristics, and reflects the inherent demands of socialist development; the diversified road of specific development also reflects the deepening of the exploration of the law of socialist development. However, there is a prerequisite for the diversification of the road of specific socialist development. This prerequisite is: The basic characteristics and principles that reflect the substance of the socialist system are identical and under the pretext of different nations and countries, people can deny the basic characteristics, including socialist public ownership, the planned commodity economy, distribution according to work, dictatorship of the proletariat, and communist leadership. That is to say, the diversification of the road of specific socialist development is the diversification under the restriction of the basic characteristics and principle of socialism but not unprincipled diversification. Socialism can be practiced in different forms of public ownership, the planned commodity economy, distribution according to work, the dictatorship of the proletariat, and communist leadership but the above-mentioned characteristics can by no means be negated. Diversification and identity are, therefore, a unity here.

Regarding this relationship of mutual unity, we had two deviations in understanding. In the beginning, we did not sufficiently understand the diversification of the road of socialist development. As a result, in long-term practice, we thought that we could push socialism into an ideal state according to a certain single pattern. In the course of reconsidering such deviation in understanding,

some people had another deviation in understanding, that is, the diversification of the road of socialist development was divorced from the basic characteristics and principle of socialism, thus forming a tendency toward the neglect of the basic principle and characteristics of socialism. So far the latter is concerned, if we deeply analyze such questions in the development of socialist reform as why some propositions and methods that apparently run counter to socialism cannot be clarified in theory and cannot be curbed in practice; why a completely contradictory distinction between the so-called "reform and opening up" that are antagonistic to the four cardinal principles and socialist reform and opening up obviously exists and some of our comrades cannot distinguish them clearly; and why certain specious theories can have certain support, we can easily discover what part the neglect of the basic characteristics and principle of socialism plays in understanding the issue of the development of diversification.

The problem, therefore, lies not in whether the diversification of the road of socialist development is recognized or not but in what type of diversification is recognized. The denial of the diversification of the basic characteristics and principle of socialism itself cannot be socialist.

2. On the relations between the stage nature and orientation nature of socialist development. No need for doubt, understanding that socialist society is divided into a number of development stages and understanding that our country is at the initial development stage of socialism is the summation of the experiences in the international communist movement, especially in the long-term development of the practice of socialism of our country as well as one of the basic points that should be affirmed while we are carrying out socialist reform and construction. Nevertheless, the theory of the socialist development stage cannot be established with the orientation of socialist development being divorced from it. The scientific nature of the theory of the initial stage of socialism lies in that the theory recognizes that our socialism is in the initial development stage and recognizes the socialist nature of our society and the socialist orientation of the development of the initial stage. If stress is not laid on the determination of the quality of socialism and if the principle of socialism is not used to standardize the initial stage, it will give rise to deviations in theory and practice. In objectively analyzing some phenomena in the practical life, such as the phenomenon of interpreting all phenomena existing in actual society as rational and lawful and the phenomenon of linking some obvious corrupt and hideous phenomena in society with socialism, it will show from one aspect our deviations in understanding the orientation nature of the stage of socialist development.

3. On the relations between the unitary nature and coordination nature of socialist reform and construction. The so-called unitary nature of socialist construction refers to that in socialist construction and reform, undue emphasis is put on the building of spiritual civilization

or the building of material civilization without coordinating the development of both of them and promoting each other. In the past, we ignored the development of the productive forces but went in for "almighty spirit," bringing harm to the socialist cause. This objectively showed the harmful nature of unitary development. However, after we have finally come to understand the law of development that economic construction must be regarded as the center in socialist construction and reform, another deviation—the view of unitary economic development—emerges at different degrees. A phenomenon of taking a firm hold and taking a loose hold, a phenomenon of the ideological and political work and spiritual civilization building declining, and a phenomenon of placing undue emphasis on the pursuit of economic results and equating social development with unitary economic development have appeared in the practice of reform and construction in recent years. It is thought that if economic work is promoted, all aspects of work will be promoted. Coordinated social, economic, political, cultural, ideological, and moral development has, therefore, been ignored so that bourgeois liberalization and the corrupt phenomenon can grow and spread. This, no doubt, negates once again our understanding of unitary development.

4. On carrying forward and blazing new trails in the development of socialism itself.

The vitality of socialism, as an unprecedented cause, lies in its ability to blaze new trails and to develop. Nevertheless, a problem here lies in what type of development and blazing new trails. Obviously, by treating socialism with dogmatic and ossified thinking can socialism only be stifled. The unity of carrying forward and blazing new trails in the development of socialism itself should not be neglected, nor should the seeking of socialist development be ignored. It is necessary to persist in development and blazing new trails on the present foundation of socialism. If we take blazing new trails and development as totally negating the previous history and draw an unbridgeable gap between carrying forward and development, this runs counter to the original aim of socialist development and of blazing new trails in socialism. In this aspect, if we objectively reconsider our understanding of the issue of carrying forward and blazing new trails in the development of socialism itself, we must admit that a deviation exists among some comrades that excessive importance is attached to blazing new trails while less concern is shown for carrying forward. Under the influence of such a deviation, in the issue of the historical development of socialism, people will lay particular emphasis on revealing the defects and criticizing the faults in the course of development (such revelation and criticism are imperative and putting them in a prominent position under certain conditions is also necessary) but do not sufficiently sum up the successes won in the course of socialist development and the facts that socialism is superior to capitalism in substance. They have seldom studied what should be adhered to and carried forward and have wavered to a certain extent

in the most basic principle and characteristics of socialism. Such a deviation in understanding directly leads to a phenomenon of wavering in faith in socialism due to excessive importance attached to the "dark side of things" in practice. For the same reason, when the socialist cause suffers certain partial and temporary setbacks, some people simply link these setbacks with socialism itself. This is, as it were, just the result caused by the deviation in understanding that "blazing new trails" in socialism is expected but the starting point of "blazing new trails" (adhering to) is forgotten.

5. On the relations between the coexistence nature and struggle nature in the development of the socialist and capitalist systems. The pattern of international political development after the conclusion of the Second World War shows that the socialist and capitalist systems will coexist for a long period. Peace and development have become a reality, with which we are confronted, under the actual condition of two main themes of the contemporary world and under certain conditions of the coexistence of, competition between, and cooperation of two social systems. However, the realities of the coexistence of two social systems do not imply the disappearance of the contradiction and antagonism between socialism and capitalism, nor does it show the attempt of international imperialism to give up subversion of socialism. There is only a change in the form and means. Such a situation requires us to keep sober-minded in understanding two social systems, the struggle nature between them, and especially the harm that capitalism will subvert socialism in many forms. In this aspect, over a period of time, some of our comrades have been excessively given to the phenomenon of coexistence in this issue and slackened their understanding of the struggle nature on the foundation of two different social systems. They have also underestimated the "peaceful evolution" strategy of international imperialism for socialism and slackened their concern for class struggle within a certain scope. When the international communist movement and socialist cause suffer temporary setbacks, they are surprised and puzzled. This is another form of such a deviation.

6. On the relations between the advance nature and long-term nature in the course of socialist development. It must be admitted that from the beginning, the practice of socialism has never been plain sailing. However, the people living in the 20th century are impressed with the smooth development of socialism in this century. In this sense, after the October Revolution of Russia and the Second World War, a large number of socialist countries in Europe and Asia were founded and after socialism developed quickly in the political, economic, and cultural aspects in the 1950's, people have linked the advance development of socialism with the course of socialist development. While the advance development of socialism seems to become a law, the tortuous development of and the temporary and partial setbacks in socialism and the long-term nature as a course of historical development are regarded as things that have

nothing to do with socialism. Therefore, they have lacked necessary understanding of the tortuosity and long-term nature of socialist development. Under normal circumstances, such a deviation is directly manifested in that socialist construction and reform are taken as an advance course. It is always hoped that after efforts are exerted on a number of occasions, socialist construction and reform will be crowned with success. As a result, people are overanxious for quick results in reform and construction. When an unusual situation in the socialist cause appears and the international communist movement is confronted with a big setback, it will most likely result in weakening some people's faith in socialism at different degrees.

The above-mentioned several aspects lay particular emphasis on the discussion of the macro understanding of socialism. If fact, if we analyze and study many specific aspects in depth, there will possibly be even more questions that need analyzing. In one word, as people are more and more concerned with the issues of socialism and study of the theory of socialism is deepened, the correction of all sorts of deviations in the issues of socialism will be of great help to further strengthening their faith in socialism.

Socialist Ideological Nature Viewed in Literature

HK1209091890 Beijing RENMIN RIBAO in Chinese
30 Aug 90 p 5

[Report by Wen Liping (5113 4409 5493): "A Symposium on the Ideological Nature in Literature and Art"]

[Text] The question of the social ideological nature of art and literature is an important one in Marxist aesthetics and literature and art study. Some time ago, our country's theoretical, artistic, and literary circles held different views as to what "ideology" is; how to comprehensively understand the Marxist theory on ideology; whether "non-ideological" elements or constituents exist; how to correctly handle the relations among the ideological nature of art and literature, social tendentiousness, class nature, and party spirit, and so forth. Recently, the editorial department of "WENYILILUN YU PIPIN" [Artistic and Literary Theories and Criticisms] invited some artistic and literary theory workers in the capital to a symposium and had discussions on the question of the ideological nature of art and literature.

Many comrades said ideology was the basic sphere of the Marxist materialist conception of history and the artistic and literary conception. Marx' topic that art and literature is an ideology is very rich in content. It intrinsically contains a new artistic classified thought and is different from the conceptions of "aesthetic art," "elegant art," and the like, which were popular in the West in the 19th century. It also scientifically elaborates on how art acts as the social nature and characteristic of an ideological pattern and determines by principles the sociology, psychology, ontology, and reflection, production, and art development theories. This is Marx' basic conception of art and literature and is the theoretical basis of Marxist

aesthetics, art study, literature and art study. Therefore it is of great methodological significance.

Many comrades said in recent years amid the great trend of reform our country's artistic and literary circles had carried out many discussions on different scales on the question that art and literature act as the superstructure and ideology. In these explorations, their thoughts were very active and discussions of questions profound. On the other hand, some views, which deserve our attention and should be studied, came up. A large proportion of them are academic questions which can and should be resolved through discussion and argumentation. However, to negate as a whole the ideological nature, class nature, and party spirit of art and literature and to propose non-ideologization as the direction for the development of our country's art and literature not only is one-sided theoretically, but also has produced obvious and very serious negative results in practice. In handling this question, we must not overlook the serious interference and influence of bourgeois liberalization.

Some comrades expressed a number of views in their speeches negating the ideological nature of art and literature, bringing negative consequences from various sides into our art and literature: First, they negated, to a large extent, the cognitive and educational functions of art and literature, which includes our country's socialist art and literature. This will not only culminate in the total repudiation of the history of our revolutionary art and literature and revolutionary artistic and literary traditions, but also in making fashionable such practices as are advocated in modern creation, including the so-called "purely aesthetic," "purely formal," "purely entertaining," "purely recreational," and "purely expressing something that normally someone does not." Consequently some dishonorable and vulgar art and literature will emerge. Second, they negated that our socialist art and literature had the right of existence, namely the socialist nature of the leading part of our art and literature, and they obliterated the fundamental differences in socialist art and literature development and that of Western capitalism's. Third, they led some people to negating and opposing the literary work principle of "serving the people and socialism." Fourth, they led to the direct negation of the responsibilities and sacred missions that socialist artists and writers should have in society. There are, of course, many different reasons for the occurrence and spread of the abovementioned phenomena. It is, nevertheless, obvious that the "non-ideologization" proposal offers a major theoretical proof in the basic theories of art and literature.

Those present at the symposium held the same view that it was totally necessary and timely to discuss the current question of the ideological nature of art and literature and directly-related questions. They thought it would be favorable to broadening our horizon and activating our thoughts, and favorable to Marxist theories on art and literature and to the development of our country's socialist art and literature.

Family Planning Policies Check Population Growth*OW1209144190 Beijing XINHUA in English
1355 GMT 12 Sep 90*

[Text] Beijing, September 12 (XINHUA)—In the 18 years from 1971 to 1988 there were 200 million fewer babies born in China than would have been the case if the nation had not plunged wholeheartedly into a campaign to check the population explosion.

This delayed the world population from reaching five billion by two years and the Asian population from reaching three billion by four years.

"China's family planning program is the most successful such effort in the world," commented Manfred Kulessa, representative of the United Nations Fund for Population Activities in China.

He attributed the 20 per thousand growth rate of world population to China's family planning endeavors.

It was in the 1970s that China introduced the policy of family planning nationwide, which made the birth rate drop dramatically, from 33.59 per thousand in 1970 to 20.83 per thousand in 1989. At the same time, the natural growth rate decreased from 25.83 per thousand to 14.33 per thousand.

Based on the consumption level of 1986, the campaign saved the country 3,000 billion yuan in child-raising expenses—equal to 2.15 times the country's GNP in 1988. This sum of money could cover the expenses of 1,000 schools of higher learning for 50 years.

In addition, family planning has contributed a great deal to the improvement of the quality of the population.

Thanks to economic development and better medical conditions, China's average mortality rate dropped from 14.77 per thousand in the 1950s to 6.62 per thousand in 1988.

The infant mortality rate dropped from 107.64 per thousand in the 1950s to 38.28 per thousand in 1988.

Before the founding of the People's Republic of China in 1949 the average life expectancy was only 35 years; this rose to 69.05 years in 1987.

The family planning policy, which is being understood and practised by more and more people these days, has pushed aside the traditional concept of "the more children, the more happiness."

In 1988 the proportion of one-child families had increased 1.5 times compared with the figure for 1970. Meanwhile, the number of families with large numbers of children had dropped by 75 percent.

In 1989 more than 34 million couples nationwide had received certificates to show that they were "one child" families.

As a result of all this, the slow-down of population growth changed the age structure of China's population. Children under 14 years of age constituted only 28.04 percent of the population in 1988 compared with 40.7 percent in 1964, while the proportion of people ranging from 15 to 64 years of age increased from 61.66 percent in 1982 to 66.63 percent in 1988. Those over 65 accounted for 5.33 percent.

However, according to experts, while China has made remarkable progress in population control, a new baby boom has shaped up, as in the first few years of the 1990s some 13 million women reach child-bearing age annually.

With the passing of the baby boom, people above 65 years of age will constitute 6.9 percent of the population by the end of the century, nearing the seven percent recommended by the United Nations as the upward limit for a stable population.

Experts suggest that China's population should be controlled under 1.28 billion by the end of the century. Efforts should be made especially to reduce the speed of growth of population in the countryside.

To this end, it is vital to draw up more regulations on population control. Meanwhile, retirement insurance systems for old people should be developed and services in various communities should be set up to meet the needs of childless families, experts suggest.

Li Ximing, Zou Jiahua Present To Open Expressway*OW1409020090 Beijing XINHUA Domestic Service
in Chinese 1258 GMT 12 Sep 90*

[By reporters Zhang Hongwen (1728 1347 2429) and Pan Shantang (3382 0810 2768)]

[Excerpts] Beijing, 12 Sep (XINHUA)—The section from Beijing to Tianjin's Yangchun of the Beijing-Tianjin-Tanggu Expressway was opened today to vehicles of the Asian Games. The expressway was a generous gift presented by highway constructors of Beijing, Tianjin, and Hebei to the 11th Asian Games, to be held soon in Beijing.

Li Ximing, member of the CPC Central Committee Political Bureau and secretary of the Beijing Municipal CPC Committee; Ye Fei, vice chairman of the National People's Congress Standing Committee; State Councilor Zou Jiahua; and Wang Guangying, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, cut a ribbon to open the expressway at a ceremony this morning at the expressway's Dayangfang Toll Station. [passage omitted]

Also attending the ceremony were Wang Weiming, Wu Shaoyu, Qian Yongchang, Lin Hanxiong, He Guangyuan, Yang Zhenhuai, Zhu Xun, and Tianjin Mayor Nie Bichu.

Television Forum Views Bourgeois Liberalization

OW1209135090 Beijing XINHUA Domestic Service
in Chinese 0915 GMT 12 Sep 90

[Text] Beijing, 12 Sep (XINHUA)—The Chinese Television Artists' Association held a forum on the ideology of television literature and art from 8 to 10 September. The forum participants discussed questions concerning how to correct the direction in television literature and art, eliminate the influence of bourgeois liberalization, harness and bring into further play the initiative of television artists in creative works, and promote television literature and art.

After reviewing the development and achievements in the television arts in the new period, the forum participants said: The mainstream of China's television literature and art is good and healthy. However, the influence of bourgeois liberalization should not be underestimated, and further efforts are needed to screen and rectify the unhealthy tendency in creative works. Ai Zhisheng, minister of radio, cinema, and television, attended and spoke at the forum. He said: In addition to problems in the ideology of creative works, there are the economic reasons for the unhealthy tendency. Because of limited national financial resources, the capacity of television production cannot catch up with the development of the situation. To eliminate the influence of bourgeois liberalization is a long-term task.

Comrade Nie Dajiang, deputy director of the Propaganda Department of the CPC Central Committee, urged the forum participants to diligently study Marxism-Leninism-Mao Zedong Thought, unite the majority of people, and encourage the vast numbers of writers and artists to conscientiously and sincerely create artistic works in keeping with the demands of the times and the people. Meng Weizai, deputy secretary of the party group of the China Federation of Literary and Art Circles, stressed that works of television production should follow the correct political orientation while striving to express themselves in a perfect artistic form.

While discussing the role of television literature and art in exerting an imperceptible influence on people's thinking, the forum participants said: Television can influence not only the people's way of thinking and lifestyle, but also nurture a generation of people. Therefore, it is necessary to strengthen television's cognitive, educational, aesthetic, and recreational functions so as to fulfill the historical mission entrusted to the artists by the times.

Some 30 comrades of television circles in various localities attended the forum.

Urban Sanitation Inspection Group Visits Jilin

SK1109105390 Changchun Jilin Provincial Service
in Mandarin 0930 GMT 10 Sep 90

[Text] The 14-member national urban sanitation inspection group headed by Song Yiping, member of the

National People's Congress Standing Committee, and with Guo Ziheng, member of the National Chinese People's Political Consultative Conference [CPPCC] Committee and former vice minister of public health, as its deputy head, arrived in the city of Changchun on the morning of 10 September.

Receiving the national inspection group and attending the forum with the group in the meeting hall of Nanhu Guest House that morning were Renqinzhamsu, vice chairman of provincial People's Congress Standing Committee; Geng Yuelun, vice chairman of the provincial CPPCC committee; (Wang Zhaohuan), deputy secretary general of the provincial People's Government; and leading comrades from the Changchun city party committee, the city People's Government, and the city CPPCC committee.

During the forum that morning, the participants first heard the report on the demands set forth by the national group for sanitation inspection in the city of Changchun. The member of the national inspection group pointed out in his report that the Central Patriotic Public Health Campaign Committee had organized 11 sanitation inspection groups to directly conduct inspection among 35 municipalities, provincial level cities, and cities covered by the state economic and financial plans throughout the country. Among the rest of the cities across the country, the patriotic public health campaign committees of various provinces and cities will carry out inspection on behalf of the state. The scale of inspection activities this time is the largest since the founding of the PRC.

During the forum, (Li Shu), vice chairman of the Changchun city patriotic public health campaign committee and vice mayor of Changchun City, delivered a report on informing the national inspection group of the city's situation in the public health work.

On the afternoon of that day, the national inspection group carried out its inspection activities in markets and trade fairs in the city. On the afternoon of 13 September, the national inspection group will inform the city of its findings.

Economic & Agricultural

Market Activating Measures Examined

HK1409053390 Beijing GUANGMING RIBAO
in Chinese 18 Aug 90 p 3

[Article by Liu Siwei (2692 1835 4850): "On Several Measures To Activate the Market"]

[Text] In activating the market, we cannot depend only on increasing and injecting activation funds into production enterprises and circulation realms. Given the condition that the problem of commodity marketability has not yet been solved in the final market, by simply injecting capital into the market from outside without activating the chain of internal flow of commodities, it will still be difficult to

activate the market. On the contrary, market slackness will be further aggravated, thus increasing the difficulty of alleviating market slackness.

The Key Point of Market Activation Lies in Activating the Final Market

Viewed from the changes in market slackness, the ultimate cause for the whole market slide is the relative decline of the final market, with the commodities in the terminal market incapable of regularly leaving the circulation realm and entering the consumption realm. Slackness in the retail market leads to obstruction in the intermediate circulation link and intermediate market, so that commodities cannot promptly leave the production realm and enter the circulation realm. This affects the benign cycle of the whole social reproduction process. The key point of market activation therefore, lies in unclogging and activating the final market. Only by activating the final market can the intermediate wholesale market be changed from a state of slackness into vigorous vitality and enter normal operation. Invigorating the intermediate wholesale market will cause products to smoothly transfer from production to circulation realm, thus realizing the benign cycle for the whole social reproduction process.

To activate the final market it is necessary to adopt comprehensive measures and improvements, starting from activating immediate final demand and directing the normal placement of immediate consumption demand and investment demand.

At this point, appropriately increasing ultimate demand is the key link in activating the final market. The great rise in the storage of finished products is mainly due to a shortfall in immediate demand. The first reason was insufficient immediate consumption demand. In 1989, the money spent by residents on living expenses in cities and towns throughout the country increased by 12.6 percent over the previous year, while the cost of living index for workers and staff members increased by 16.3 percent. Thus the growth in residents' actual income was negative. At the same time, purchasing power was excessively diverted to savings channels, resulting in delayed use of a considerable part of the purchasing power. The second reason was insufficient demand in immediate investment. In 1989, investment in fixed assets decreased by 11 percent compared to 1988. If price raises are taken into consideration, the decrease is even greater. Confronted with the lack of immediate final demand, we should take the following measures:

First, increase productive investment appropriately. Growth in the amount of investment can offset price raises of invested commodities and cope with the planned growth rate of industrial production. Therefore, with respect to capital construction projects, key engineering projects, technological transformation projects, and urban residential construction in conformity with

the state industrial policy, we should increase our investment strength. By activating investment demand, we can inject new vitality into the whole final market.

Second, increase immediate consumption demand appropriately. Measures in this regard include: 1) Lowering interest rates, rectifying the tendency toward high savings, and increasing the immediate use of purchasing power of consumption goods. Given the condition of strictly controlling the increase in money income of residents in cities and rural districts, to increase immediate consumption demand it is necessary to adjust the relationship between savings and consumption. 2) It is necessary to relax the scope of control over social groups' purchasing power. 3) With respect to consumption of some durable consumption goods and housing, consideration should be given to trying out consumption credit. 4) The issuing of funds for the purchase of agricultural products should be guaranteed so that peasants may promptly increase immediate money income and purchasing power of consumption goods.

Third, guide the broad masses in appropriate consumption. To activate the final market, it is necessary not only to increase immediate demand but also to reinforce guidance on consumption from macro and micro integration and overcome and rectify abnormal consumption psychology. Given the present market slump, there appears the general inverted behavior of "buying when the price rises and not buying when the price falls" appears, caused, to a large extent, by the consumers' erroneous psychology of synchronous expectation. Therefore, it is necessary to reinforce propaganda and policy guidance so that the broad masses can clearly draw the line of demarcation between living "a frugal life" and appropriate consumption. We should not unduly interfere with or restrict the broad masses in their proper consumption within the scope of proper income.

The Important Link in Market Activation Lies in Enlivening Circulation

Measures in this respect include:

1. Taking special note of bringing into play the role of state commerce as the main channel in commodity flow and market regulation and the positive role of other commercial forms in expanding final sale commodities. First of all, it is necessary to implement certain preferential policies in funding, interest rates, and tax rates, to enable state commercial departments to promptly purchase products from industrial production enterprises and increase stock. As for products purchased by commercial departments under state and government orders, banks should relax credit control and adjust loan interest rates. At the same time, it is necessary to fully bring into play the role of other commercial forms in expanding commodity sales.

2. Making an effort to develop the rural market and effectively channel industrial products to rural areas. At present, the circulation channel in the rural market is impeded and therefore industrial products for the rural

areas must conform to the consumption demands of peasants in brand, structure, quantity, and quality. At the same time, it is necessary to organically integrate the issue of funds for the purchase of agricultural products with the withdrawal of currency from circulation through the supply of industrial products.

3. Guarding against, paying attention to, and rectifying the tendency toward "regional trade protectionism" in market circulation and reducing the obstruction to commodity flow due to human friction. Given the market slackness, interregional and interdepartmental conflicts of interest may easily induce and stimulate implementation of localized "protectionism," restricted of commodity flow, and protection of the local market for backward products. This problem must therefore be prudently solved by passing a series of administrative, economic, and legal measures for market activation.

4. Vigorously developing the international market and expanding commodity exports. Advantage must be taken of our country's present favorable situation of expanding international exchange to expand export trade with such regions as Southeast Asia, Hong Kong, Taiwan, and Macao and also with the markets of the Soviet Union, Eastern Europe, America, and Western Europe.

5. Continuing to untie various debt chains and enliven currency circulation. Currency and commodity circulation mutually affect and restrict each other. In particular, the debt chain between enterprises has led to payment crises between enterprises, resulting in a large amount of funds accumulating at the account settling centers. This condition aggravates the shortage of funds and obstructs normal commodity flow. Therefore, enlivening commodity circulation must be integrated with bolstering funds utility and eliminating the obstruction of currency movement. The banking system must be able to bring into play its role as an account-settling center, organize the screening of multi-debt chains, so that the funds can return to their normal position, bring into play its usual role as a medium in commodity circulation, and promote commodity circulation.

The Fundamental Measure for Market Activation Is To Adjust the Industrial Structure

At times of market slackness, there are certainly some nonmarketable commodities which have been produced blindly or manufactured in a rough and slipshod way. The production of this portion of commodities should be eliminated through selection or competition. Therefore, utilizing the market slump to dispense with the production of products that are in excessive supply and increase the production of products that are in short supply and striving to expand effective supply is not only a sound strategy of alleviating the present temporary market slump, but also one of the bases for the stable development of the market of our countries over a longer period. According to the principle of survival of the fittest, stopping production of certain products actually decreases ineffective supply. Various localities and

enterprises should conscientiously adjust structure in production and operation, to determine production and marketing according to demand and devise all possible ways and means to increase effective supply so as to expand commodity sales, reabsorb currency, and provide a reliable supply basis for stable market development. At the same time, only by rationally adjusting industrial structure will we be able to control overall funds input, optimize the direction of funds input, and prevent the funds newly injected into production from accumulating again without having been used effectively.

Deepening reform of the economic structure and of the market is a radical way of ultimately resolving the market slump and other market problems. The market slump in our country reveals the deep-level cause as its irrational structure. As compared with the overheated economy during the previous two years when panic buying appeared, the emergence of such a market phenomenon is related to our inappropriate approach to and operation of market reform. The stalemate between the two different structures has not only affected the consolidation of the past reform results but also hindered deepening of reform in the future, thus increasing factors of market instability. Accordingly, it is necessary to utilize this opportunity to carry out reforms in respect of prices and the like in a coordinated manner and accelerate the perfection of the market to organically integrate planned economy with market regulation. It is necessary to accelerate enterprise internal reform, so that enterprises will set up operational, risk, and restraining mechanisms which have been adapted to market changes and thus minimize and rectify all sorts of short-term behavior. At the same time, through reform, government actions will be rationalized and errors in policy decisions diminished. Deepening of reform in financial and monetary structures must be carried out and the relationship between state finance and banks straightened out.

Attention Must Be Paid to a Few Problems in Market Activation

We must pay attention to the following four problems in activating the market and alleviating market slackness.

First, we must pay attention to digesting the latent rebounding factors and avoid the risks of serious inflation and overheating reappearing in the market. Given the continued market slackness in our country, there are new, latent instability factors, particularly rebounding one. The contradiction of overall market demand exceeding overall supply in our country has not been radically resolved and adjustment in industrial structure has not reached its proper level. On the other hand, with the decrease in the stock of consumer goods in the hands of consumers and the gradual rectification of the psychology of "reduced price expectation," people tend to expand purchasing. In particular, when there is a shortfall in effective supply, a new spate of panic purchasing will be induced. Therefore, it is necessary to control the strength of activating consumption and investment

demand, without abandoning the original overall objective of retrenchment. We should activate market demand in the midst of upholding and adjusting retrenchment. At the same time, activating market demand is also conducive to resolving the contradiction between overall supply and demand.

Second, to activate the market, it is necessary to prevent a new round of competition for speed, investment, and consumption. Viewed from the experiences and lessons of China's socialist construction, after each adjustment, a new round of impulses for speed and quantity expansion and an abnormal phenomenon of interregional and interdepartmental "competition for speed" tend to appear and this competition for speed is likely to be aggravated by the present financial structure. Therefore, in the process of market activation it is necessary to effectively reinforce macroeconomic control to prevent inducing a new round of overheated economy.

Third, market activation should be carried out step by step. It cannot be achieved by being over anxious for success. Measures for activating the market should be implemented in stages and with discretion by resorting to the strategy of "soft takeoff." Given the present market slackness in our country there are both new problems appearing in the process of economic improvement and rectification and those which have accumulated over the years. It would be too much to expect "a radical cure with one dose of medicine." "More haste, less speed." New problems are likely to occur.

Fourth, market activation should be carried out with an eye to improving market order and avoiding new confusion. While activating the market, we should be determined to straighten out the various market relationships, continuously screen circulation-type companies, rectify intermediate wholesale links, standardize the main body of market circulation, standardize the qualification for engaging in business, and establish and perfect rules and regulations for market competition. Market activation should be organically integrated with market renovation and synchronously carried out in order to avoid making new errors. If market order cannot be effectively improved, new confusion may again arise in market activation.

Journal Article Refutes Capitalism

HK1409020390 Beijing LIAOWANG in Chinese
No 34, 20 Aug 90 pp 12-14

[Article by Sha Jiansun (3097 0256 1327): "Why Will the Proposal on Building Up Our Country by Means of Capitalism Not Work?"]

[Text] The question whether China should take the capitalist road was raised over a century ago. To oppose foreign aggression, strive for national independence, put an end to the country's backwardness, and make the country strong and prosperous during a considerably long period, modern and contemporary Chinese advanced elements had proposed studying from the

West and taking the capitalist road because there were only two options for people at that time: Feudalism or capitalism. China's feudal dynasties yielded to foreign aggressors which declared feudalism's bankruptcy and indicated that the feudal society's orthodox thinking could not become the Chinese people's ideological weapon to unite and resist aggression. As Mao Zedong said, "Only modernization could save China, only learning from foreign countries could modernize China. Among the foreign countries, only the Western capitalist countries were then progressive, as they had successfully built modern bourgeois states."

Let us briefly review the course of advanced Chinese elements learning from the West. As everyone knows, different from the arrogant conservatives, Lin Zexu, an enlightened person from the feudal class, opened his eyes to the world and noticed the West's real situation. Moreover, Wei Yuan made the proposal of "learning from other countries' strong points to resist foreign aggression." However, their proposals to learn from the West were limited to the field of science and technology. During the period of the Taiping Heavenly Kingdom, Hong Rengan proposed a program to develop capitalism in China in his "New Opinion on Capitalist Administration." He proposed running industry, mines, and banks and establishing news agencies and libraries by following the West as well as "allowing the rich to hire workers" and the poor to "work for pay." He regarded the establishment of a capitalist production method a realistic task. Kang Youwei led the reform movement. Apart from assimilating advanced Western production and technology, he proposed protecting the extensive development of industry and commerce, assimilating foreign languages, doctrines, laws, and regulations, and establishing a constitutional monarchical political system in China. He proposed assimilating the West from the economic to the political fields. With China's vast territory and large population and Japan's successful experience in learning from the West which could serve as reference, he optimistically predicted that "a grand scale can be formed in three years, proper arrangements can be made in five years, effects can be achieved in eight years, and a powerful country can be built up in 10 years." Yan Fu was a noted Chinese thinker of enlightenment. He insisted that "people's intelligence is the foundation of the country's prosperity" and "to develop intellectual resources, it is necessary to learn from the West." He believed that it was his historic mission to concentrate his energy on studying and assessing Western academic works. He translated a number of works including "Evolution and Ethics," "A System of Logic," "The Wealth of Nations," "The Spirit of Laws," and "The Synthetic Philosophy"; publicizing material empiricism, the principles of classic political economy, constitutional monarchy, the three independent powers of administration, judiciary, and legislature, and other social political thinking. He believed that China could save the nation from subjugation and become prosperous once the Chinese people accepted these theories and put them into practice. Sun Yat-sen, the great

forerunner of Chinese democratic revolution, was the first man to propose a relatively complete scheme for a bourgeois republic in China. He summed up his proposal into the three principles: nationalism, democracy, and the people's livelihood. He said: "To assimilate the experience of Europe and the United States, it is necessary to adhere to the three principles: nationalism, democracy, and the people's livelihood." This shows that he proposed the three principles by directly drawing experience from Europe and the United States. He also said with full confidence: "Once our great objective of transforming China is realized, the dawn of a new century will appear in our beautiful country. Moreover, the whole of mankind will enjoy the bright prospects."

The Chinese people were enthusiastic and sincere in learning from the West. Meanwhile, the course of the learning which deepened gradually was relatively comprehensive. Apart from learning, they also put what they learned into practice. To this end they set up groups, organized political parties, and waged protracted, indomitable struggles. The problem is that the Chinese people learned a lot from the West, but achieved little. The Taiping Heavenly Kingdom was strangled jointly by the reactionaries at home and abroad. Like a flash in the pan, the reform movement of 1898 came to a premature end after lasting only 100 days. The revolution of 1911 overthrew the Qing Dynasty emperor's rule. The established "republic" existed only in name and that revolution also fell through. To sum up, the progressive Chinese efforts all ended in failure. Instead of becoming a powerful capitalist country, China was reduced to a poor, semicolonial, and semifeudal society. This fact evoked the thinking of the sober-minded advanced elements. Prior to the October Revolution, some people started to doubt the feasibility of establishing a Western capitalist system in China. In May 1916 Li Dazhao said: "Although representative political government is still being experimented with, it is indeed hard to determine its advantages and disadvantages or to predict its future." Young Mao Zedong also said in August 1917 that it is true that Eastern thinking does not conform to actual life. Western thinking will not necessarily be perfect. The imperfect part should be transformed together with Eastern thinking. As this skepticism impelled people to seek a new road for saving the country, it had great value in the history of modern thinking.

When the progressive Chinese were in a state of hesitation and depression, the October Revolution broke out in Russia. What is the October Revolution's value to China? It widened the progressive Chinese's field of vision. If we say that prior to that period the Chinese had only two options in building the country, feudalism or capitalism, now they had a third option, that is, socialism.

The October Revolution took place under the guidance of scientific socialism in a Russia with a backward economy and culture, a situation more or less the same as China's. Hence, it was very attractive to the Chinese.

The verse "The hills and streams come to an end; but dark with willows, bright with flowers, another village appears" can be used to describe the advanced Chinese's excitement at that time when they learned of the October Revolution. Consequently, they switched their attention from the West to the East, from Europe and the United States to Russia, and from bourgeois democracy to proletarian socialism. Chen Duxiu, who had proposed "building a Western style new society and country to meet the development of the world today," said at that time that "republican politics is controlled by a handful of capitalists; it will be a vain hope to apply it to work for the well-being of the majority of the people." Some people said that everything would be easy to handle if China had Russia's spirit, Germany's science, and the U.S.' capital. Chen Duxiu replied: If we can integrate Russia's spirit with Germany's science, U.S. capital will be unnecessary and we will not necessarily have to follow U.S. style capitalism. Wu Yuzhang and Lin Boqu, noted members of the Chinese Revolutionary League and comrades-in-arm of Sun Yat-sen, also realized through practice that the past revolutionary method would not work. Through education in the October Revolution and May Fourth Movement, they knew the importance of relying on the masses at the lower levels and were determined to take the road of Russia. Later, Sun Yat-sen also said that "it will be impossible for Chinese revolution to succeed unless we learn from Russia." He also proposed that Chinese revolution should follow the road of Russia. Therefore, he laid down three major policies of uniting with Russia, uniting with the Communist Party, and supporting the peasants and workers, and changed the three old principles into three new principles. This great democratic revolutionary also became a great friend of the Chinese Communists. His loyal followers Song Qingling and He Xiangning also advanced along this direction and later became great Communists. These historic facts have proved that forsaking the scheme of bourgeois republic and taking the road of scientific socialism was the historic choice made by advanced Chinese elements.

Naturally, the proposal of building a capitalist country did not disappear. Since the bourgeoisie existed in China, the proposal of building a capitalist republic, which reflected their political demand, was of course mentioned time and again. During a period after the anti-Japanese war, the propaganda that China should take the capitalist road reached a high tide. Some people believed that it was impossible for the Kuomintang [KMT] to wipe out the people's revolutionary forces and for the people's revolutionary forces led by the Communist Party to immediately wipe out the KMT. Hence, it was the most opportune moment to take the middle line. The political proposal of taking the middle line believed that China could not be a semicolonial and semifeudal society or a proletariat-led people's republic. Instead, a Western style capitalist state should be established and capitalism should be allowed to develop freely in China. To realize this scheme, some people even proposed that

"it is necessary to organizationally form powerful intermediate forces." "Undoubtedly, the Democratic League is the central organization of the 'third party.'"

It should be noted that although the Democratic League and other democratic parties "have taken the middle road," they are not pure intermediate forces. Organizationally, there were advanced elements in the opposition party within the ruling class; and politically, they were inclined to constitutional monarchy as well as the new democratic revolution. However, as Zhou Enlai said at that time, "because of the anti-Japanese war, particularly the lucky chance of political consultations, they objectively took the position of a third party in the country and many of its leaders represented the thinking of the intermediate class and attempted to seek a third road following the program of confrontation between the KMT and CPC." Nevertheless, the objective environment after the war did not allow China to take this road. In practical struggles, the China Democratic League did not take a neutral stand on questions of right and wrong. The Democratic League members were formerly from the three parties and factions. Later, more nonparty personages joined the league. During the struggles, the league's ranks split up.

The Young Party and the Democratic Socialist Party followed the KMT while the majority of the Democratic League stood on the CPC's side to oppose the KMT's autocratic rule and civil war policy. As a result, the KMT did not allow it (the Democratic League) to exist. The KMT authorities regarded it as an illegal organization and issued an order to ban it. Under such circumstances, the Democratic League's headquarters was forced to suspend its activities. Commenting on the issue, Zhou Enlai said, this proves that "the attempt to establish a third large party taking the middle road between the KMT and CPC has failed." Many people drew the necessary lesson through political practice. When the Democratic League decided to resume its activities at the Third Plenary Session of the First Democratic League held in Hong Kong in January 1948, attendees clearly declared that it would be impossible to take a neutral position on the questions of right and wrong. Moreover, "viewed from China's current practical environment, an independent middle line will not work." The plenary session clearly expressed the determination to stand on the side of people's democracy and "cooperate hand in hand" with the CPC to "destroy the Nanjing reactionary autocratic government and work hard to build a democratic, independent, and united New China." At that time, other democratic parties also took the same or similar stand. When the CPC Central Committee called for a political consultative conference without the participation of reactionaries in the "1st May" slogans by the end of April 1948, various democratic parties and vast numbers of democratic personages expressed warm support and enthusiastically responded. From August 1948, they went to the liberated areas one after another to prepare for the holding of a new political consultative conference and building a

New China of the people's democratic dictatorship. These historic facts further proved that it was the historic inevitability and not a subjective, willful decision made by anyone to forsake the scheme of building a capitalist country and taking the socialist road under CPC leadership.

Why did the scheme of building up the country by means of capitalism not work in China? Different from the conditions of Western countries, China was a country subject to foreign capital and imperialist oppression and the national bourgeoisie in China was a class emerging from the environment of a semicolonial and semifeudal society. Herein lies the main reason.

In the West, feudal forces were the target of bourgeois democratic revolution. In China, the target of revolution was feudal forces as well as foreign aggression. Why did foreign aggressors come to China? They came to plunder China's resources to develop their capitalism rather than turn China into an independent, powerful capitalist society. To them, China was but a market to promote their commodities, a place to supply cheap raw materials and labor, and an ideal location to export capital. If China had become an independent capitalist country, they would have lost everything. They were certainly not willing to set up a competitive opponent. Mao Zedong pointed out: "The history of imperialist aggression on China, opposing China's independence, and opposing the development of capitalism in China is China's contemporary history. All previous Chinese revolutions failed because they were strangled by imperialism. This was a lifelong regret of numerous revolutionary martyrs." These are the historic facts.

In other words, the enemy of Chinese revolution was very powerful. To overthrow the powerful enemy, the revolutionary ranks needed a strong leader and organizer. However, China's bourgeoisie was very weak as it emerged from the semicolonial environment. It was indeed a congenitally deficient and postnatally abnormal class. From the date of its birth, it was rejected by foreign capitalism, bound by feudal production relations, and exploited by the bureaucratic warlord government.

The national capital economy could never become the main form of China's social economy. Of the national capital, a large portion was commercial and monetary capital while industrial capital accounted for only a small portion. Without the foundation of heavy industry, the national capitalist industry was mainly composed of light and textile industry and food industry. Consequently, it could not become an independent industrial system. As China's national bourgeoisie were dependent on foreign monopoly capital and bureaucrat capital at home, they did not have the courage to oppose imperialism. As it had close relations with China's feudal land ownership system, it dared not thoroughly oppose feudalism. For this reason, some people among them believed that "the intermediate forces are in essence reformers" and that "the road of reform is one to be taken by China's bourgeoisie today." They placed the

hope of realizing their political ideals on the dream that the reactionary Chinese ruling class would make principled concession to their political demands. As a matter of fact, this was just an unrealistic illusion. We know that China's reactionary rulers relied on imperialist backing for their existence. Hence, they opened China's door wide for the imperialist forces rather than laid down conditions for overthrowing imperialist oppression and developing national capitalism. Under the KMT rule prior to the anti-Japanese war, the fact that foreign capital accounted for 70 percent of China's modern industry and transportation proves this point. We also know that China's reactionary regime regarded the landlord class as its social mainstay. Many landlords became government officials and many government officials became landlords by extorting money from the people and buying land. Under these circumstances, it would be impossible to realize antifeudal land reform and open a way for the development of a capitalist economy in China. It was also naive to expect the Chinese rulers to realize democratic reform politically and turn China into a bourgeois republic. To these people, both the socialist system and the British and U.S. style bourgeois democratic system were not suitable for China. Chiang Kai-shek said that the West's experience was applicable to the West but not to China because the Chinese had not received any training in democratic politics. If "those advocating democracy and freedom are allowed to occupy a parliamentary seat and express their views, they can do nothing but quote personages from the West and pour out their grievances rather than take any action on the battlefield." This may result in the people's revolutionary forces occupying the central plain. He insisted that China must have a "highly efficient rule," which was actually fascist rule. He stated that his rule was different from fascism, that he was for "great harmony under heaven." However, he unconditionally agreed to fascism on the fundamental question of being harsh toward the people. In other words, China's reactionary rulers were very weak politically as the class interests they represented were too narrow. They could not tolerate or withstand any democratic reform. This determined that it could not make any concession to the building of a bourgeois republic proposed by the middle bourgeoisie. Chiang Kai-shek's attitude toward the resolution of the 1946 political consultative conference was the most convincing evidence. According to the political consultative conference resolution, China should have established a parliamentary and cabinet political system similar to that of Britain and France. Meanwhile, under the conditions of local autonomy, the liberated areas would continue to implement the people's democratic system. Following the resolution's adoption, however, Chiang Kai-shek lost no time to engage in sabotage. In less than half a year, he violated the resolution and launched a full-scale civil war. In less than 10 months he onesidedly held the so-called "national congress," totally tearing up the political consultative conference resolution. Actually, the implementation of the political system stipulated in the political consultative conference resolution offered an opportunity for the development of

capitalism in China. However, the KMT did not allow it to happen. Consequently, there was only the last option: Establish a people's republic and take the socialist road under CPC leadership. As Mao Zedong said when victory was won nationwide: "So the bourgeois civilization of the West, bourgeois democracy, and the scheme of a bourgeois republic all went bankrupt in the Chinese people's eyes. Bourgeois democracy gave way to people's democracy led by the working class and the bourgeois republic gave way to a people's republic." Indeed, these remarks constitute the scientific summary of the Chinese people's struggles and experiences over the past century or so.

Article Views Evil Consequences of Privatization

HK1309025190 Beijing JIEFANGJUN BAO in Chinese
14 Aug 90 p 3

[Article by An Sishan (1344 1835 1472): "Can the Face of China Take on an Altogether New Aspect With Privatization?"]

[Text] A small handful of advocates of bourgeois liberalization wantonly vilified our country's socialist public ownership system and described it as the "root of all evil"; at the same time, they also alleged that the private ownership of the means of production would produce great miracles, because it could arouse workers' initiative and raise economic results. So, they claimed that as long as the public ownership system is thoroughly repudiated and across-the-board privatization is carried out, China would take on an entirely new look. This fallacy caused serious confusion to the minds of the masses for a time.

In fact, the private ownership system is nothing new for the Chinese people. From the disintegration of the primitive society, the private ownership system came into being and lasted until the PRC's founding in 1949. China was a country under the private ownership system for over 4,000 years. However, the private ownership system did not bring wealth to the people and did not bring prosperity to the country. Instead, under the private ownership system, there was a wide gap between the rich and the poor as described by an ancient poet in his famous verse: "Behind the vermilion gates meat and wine go to waste while out on the road lie the bones of those frozen to death." The nation was faced with the miseries of being invaded and bullied by foreign powers and being forced to cede territory and pay indemnities. Especially in modern times, the relations of production based on private ownership in old China seriously impeded social productive forces development, retarded economic development, and led to the decline of national strength. China had no international status and was derided as "a sick man in East Asia." Moreover, the four big families of Chiang, Soong, Kung, and Chen also colluded with the imperialist forces to unscrupulously extort wealth from the people by relying on the private ownership of the means of production. In 1947 alone they seized \$10 billion to \$20 billion of wealth from the

people, and appropriated 80 percent of the total industrial assets in the whole country. On the other hand, the broad laboring masses were living in utter destitution. The harsh facts under China's long-lasting private ownership society were known to all people who were born in old China. Private ownership was an important root of the working people's misery and the country's poorness and backwardness.

As a matter of fact, privatization is not suited to China's national conditions. Our country has a large population and a weak foundation. The economy is comparatively backward. Only by relying on the socialist public ownership system can we effectively concentrate and use our country's limited national strength and resources in order to ensure key construction projects and to ensure the planned and balanced development of the national economy at a high speed, that can never be achieved by the private ownership economy. Our public economy now has successfully solved the issue of supplying sufficient food and clothing for the people. In a short period of time we successfully developed atom bombs, hydrogen bombs, intercontinental missiles, and man-made satellites, and turned China into one of the world's major powers. No one now can neglect China's role in the course of settling any international affair.

However, privatization would only cause economic collapse in our country. Although our country's productive forces are relatively backward, we have built a large number of modern state-owned enterprises, which now hold dominant positions in the national economy and play a role as the locomotive in the social productive forces development. However, privatization would just bring our economy back to the insurmountable contradiction between private property and socialized large-scale production, and the development of productive forces would thus be impeded. Moreover, privatization would make the industrial structure in our country more unreasonable.

At present, the prominent problem in our country's industrial structure is the basic industries' backwardness. If privatization is put into practice, weak and isolated private enterprises will not be able to develop the basic industries which require large amounts of investment, a high degree of technology, and a long construction period. In addition, private enterprises will contend for the resources in short supply with the basic industries, thus further worsening the problems of the economic structure and sapping the vigor of economic development. Furthermore, privatization may also affect the national economy's overall results. If privatization is put into practice, the appearance of innumerable private enterprises will break up and scatter the limited national strength and resources, thus damaging the existing productive forces. Their blind contention will inevitably cause serious waste and will upset the economy's gross quantitative balance. Then, the economic foundation accumulated in New China's past 40 years of construction will be exhausted once and for all.

Privatization will inevitably cause social polarization. A small number of people may get rich and become new exploiters, but the majority of the people will be reduced to the position of being exploited and oppressed after losing the means of production. At present, the surplus value rate in the capitalist countries is generally above 300 percent, and the ratio between the wages earned by workers and the surplus value gained by capitalists is 1 to 3. In our country, productivity remains at a low level, and social products are not rich. If they are distributed according to this rate, a small number of people may lead a luxurious life, but most people will not have sufficient food and clothing and may even become homeless.

Privatization will inevitably cause political turmoil. Our country has established a political system of the people's democratic dictatorship on the basis of socialist public ownership, and we are conducting spiritual civilization construction under the guidance of Marxism. The values of collectivism and patriotism are gradually taking shape, and we also have formed among the people the ethos mainly characterized by the spirit of being selfless, being united and cooperative, being ready to help other people and serve the collective, working hard, and leading a plain life. If privatization is put into practice to change society's economic base, extreme egoism and money worship would sharply swell in people's minds, thus confusing social values and causing violent shocks to the people's mentality. Moreover, the reappearance of the long eliminated exploiting class and the comeback of the imperialist forces would inevitably cause major turmoil in society. Then the Chinese nation would again return to the miserable position of being humiliated and bullied by foreign powers. Obviously, the Chinese people will never allow this to happen.

Commentary Views Revival of Securities Market

HK1109141890 Beijing ZHONGGUO XINWEN SHE
in English 1202 GMT 11 Sep 90

[Commentary By Tang Dianwei: "China's Securities Market Revives"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, September 11 (CNS)—The recent revival of China's securities market, with its total of 34 securities companies and over 400 exchange counters all over the country, has drawn much attention.

Accumulated issued value of securities by the end of last year amounted to RMB [renminbi] 144.9 billion, of which RMB 5 billion worth of securities changed [as received]. In the first half of this year, all kinds of securities issued amounted to RMB 45.9 billion, with the amount transacted worth RMB 4.33 billion. Both figures represent four times the value for the same period last year.

China's securities market has the following features:

First, hectic bond transactions led by Shanghai with a million people there crowding the 40 transaction centres

for the buying and selling of some 30 bonds issued in the city. The accumulated transaction value exceeds RMB 4.0 billion. This city is leading the country in both the number of bonds issued and the transaction amount.

Second, flourishing shares transactions in Shenzhen. With 83 enterprises already restructured according to a standardized shareholding system, the city has so far issued five types of shares amounting to RMB 400 million with listed values RMB 270 million.

Third, the setting up of an information network for various securities linking Beijing and Shanghai. In just this year alone, the Bank of Industry and Commerce and the Construction Bank consecutively set up a nationwide securities information network. On top of this, an automatic price quoting system for securities transactions is to be operational in Beijing by this November.

China started developing its securities market in 1984 when enterprises were allowed to raise capital through the issuing and transaction of bonds and shares. However, securities transactions were formally approved only four years later as 61 major cities were designated as testing grounds for the transacting of treasury bonds. As a result, transaction centres for shares and bonds surged.

The development of the securities market is a breakthrough for the old banking system as banks are no longer the only capital source for enterprises. With the proliferation of some 10 kinds of bonds including those issued by financial institutions, enterprises and corporations, and those issued for the purpose of regional and state construction projects since 1985, the monopoly position of treasury bonds could not be maintained.

It is generally agreed that the securities market is indispensable for China's reform. But the views of decision-making bodies and the financial sector differ on whether quick money earned from the securities market will encourage a speculation mentality and also whether a future drop in prices of securities will affect the stability of the society.

Economist Li Yining holds the view that the merits inherent in the securities market are greater than its demerits. His view is based on his understanding that a securities market can help adjust a country's structure of production, diversify the consumption pattern and capital raising, as well as relieve existing financial problems.

Sharing his view are Liu Hongru, deputy director of the State Commission for Restructuring the Economy and Jin Jiandong, director of the financial management division of the People's Bank.

Analysts say that the downward adjustment of the savings interest rate twice within half a year will facilitate the development of the securities market. Despite its rapid growth, the securities market in China still has to overcome a lot of problems before it really gets going.

Banks, Insurance Companies Correct Bad Practices

HK1209035690 Beijing RENMIN RIBAO in Chinese
29 Aug 90 p 2

["Seven Major Financial Organizations Including the People's Bank of China Issue a Notice on Correcting Bad Practices in the Professions"]

[Text] A few days ago, the People's Bank of China, Industrial and Commercial Bank of China, Agricultural Bank of China, People's Construction Bank of China, Communications Bank of China, and People's Insurance Company of China issued the "Notice on Conscientiously Fostering Honesty and Resolutely Correcting Bad Practices in the Professions," calling on the people's banks, special banks, and insurance companies at all levels to conscientiously put into practice the relevant spirit of the Central Committee and State Council, make it an important task to correct bad practices in the professions, and do it with all efforts and in earnest so far as strengthening the party style and fostering honesty is concerned.

The notice says: In 1985, beginning from high-level personnel, the financial system obtained relatively good results in uncovering some bad practices, such as staff's seeking their own gain through extending loans (and making claims). In recent years, however, these bad practices have come up again.

These problems cause great damage to the reputation of banks and insurance companies. They are the comprehensive departments for the national economy, have connections with all trades and professions, and have numerous clients. Therefore, they play a very important role in the development of the socialist planned commodity economy. Their special professional nature determines that they must have good professional ethics and professional practices.

The notice urges banks and insurance companies at all levels to promptly organize investigation teams to go among grassroots branches and offices, make careful investigations and studies about the major bad practices among the current ones in the professions and about their causes in these branches and offices, and then make correct estimates and analyses. It also urges that they should clarify the latest situation and features of these bad practices, and that on this basis they should work out concrete methods, steps, and measures to curb them as soon as possible.

By the end of the year, on the basis of conducting self-inspections, all banks and companies should have carried out inspections and key-point sample inspections with higher-level banks and companies inspecting lower-level ones. When conducting inspections, they should correct and handle bad practices at the same time.

Overall Planning Authorized for Industries

OW1309030390 Beijing XINHUA Domestic Service
in Chinese 1032 GMT 12 Sep 90

[Text] Beijing, 12 Sep (XINHUA)—With the State Council's concurrence, the State Planning Commission and the Ministry of Machine-Building and Electronics Industry have issued a joint document making the following announcement: The Ministry of Machine-Building and Electronics Industry is authorized to perform the function of overall planning and management of this industry in the whole country based on the overall economic restructuring demand set by the State Council.

The main aspects of this function are as follows:

1. Units in charge of machine-building and electronics industry management for all departments and all localities should follow the arrangements and guidance of the Ministry of Machine-Building and Electronics Industry in matters concerning the overall planning and management of the industry.

2. For the purpose of planning, the Ministry of Machine-Building and Electronics Industry will classify this industry into 29 branches according to the criteria in the "Categories and Codes of Industrial and Agricultural Products in the Nation" promulgated by the State Bureau of Standardization.

3. Capital construction projects, technological upgrades, and projects using foreign capital or technologies with an investment amount of 5 million yuan or more using foreign exchange in the amount of \$1 million or more to be built by various department and localities during the Eighth Five-Year Plan should be included in the plans of the respective branches of the machine-building and electronics industry according to the products to be produced by these projects. Plans for these projects should be forwarded to the respective branch planning groups. The plans will be forwarded collectively to the State Planning Commission for approval after they have been examined and approved by the branch planning groups and the Ministry of Machine-Building and Electronics Industry.

4. Proposals for big- and medium-scale projects and above-norm projects for fixed asset investments in the machine-building and electronics industry contained in the Eighth Five-Year Plan should pass the preliminary examination by the Ministry of Machine-Building and Electronics Industry before they are approved by the State Planning Commission. If a proposal has been approved but needs to be reexamined, the proposal together with the document stating the task of design should be forwarded to the Ministry of Machine-Building and Electronics Industry, which will pass the proposal to the respective branch planning groups for reexamination. After that, the proposal will be submitted again to the State Planning Commission to be reapproved.

5. Proposals for manufacture of key products which are urgently needed in the market, which all localities want to manufacture, and which are suitable for mass production should be forwarded to the Ministry of Machine-Building and Electronics Industry, which will examine and approve the proposals by consulting with the State Planning Commission.

6. A national leading group for overall planning of the machine-building and electronics industry will be formed by the State Planning Commission, the Ministry of Machine-Building and Electronics Industry, and the departments concerned.

Increased Production of Metal Products Urged

HK1309064990 Beijing XINHUA Domestic Service
in Chinese 0012 GMT 11 Sep 90

[Report by Chen Guangming (7115 0342 2494): "Zou Jiahua Said That the Metallurgical Industry's Focus Is To Increase Production of Products in Short Supply, Improve Product Quality, and Strengthen Mine Construction"—XINHUA headline]

[Text] Shenyang, 11 Sep (XINHUA)—During a recent inspection tour of Anshan Iron and Steel Corporation, Zou Jiahua, state councillor and minister of the State Planning Commission, pointed out: from now on, as far as the metallurgical industry's development is concerned, the focus must be placed on increasing the variety of steel products that are needed for economic development, improving product quality, raising ore output, intensifying auxiliary working procedures, and paying more attention to the quality of auxiliary raw materials.

During his tour of Anshan Iron and Steel Corporation, Zou Jiahua inspected some key projects that had gone on stream in the wake of the large-scale technological transformation program the corporation launched during the Seventh Five-Year Plan, such as the no. 3 sintering system, the no. 11 blast furnace, the continuous cold rolling unit, the seamless steel tube production line, the large-sized continuous casting unit, and the steel wire production line. While acknowledging the corporation's achievement in its technological transformation program, Zou Jiahua noted: For the present, the main task for our country's metallurgical industry is to increase production of the types of metal products that are badly needed for economic development. The variety of steel products now available still cannot satisfy national construction needs. How to increase the variety of metal products should be considered an important task for the metallurgical industry's development. Technological transformation has efficiently helped reduce energy consumption and improved economic results. And increasing the variety of products should be taken as an important target of the Eighth Five-Year Plan. Zou Jiahua pointed out: the purpose of technological transformation should still be the improvement of product quality. All enterprises should heighten their sense of

quality, devote great efforts to improving product quality, and produce more products of better quality.

Zou Jiahua held that it is necessary to vigorously develop mines and increase ore output, so as to increase the country's iron and steel production potential. Now that China's steel melting and rolling capacity is increasing quite rapidly, it is necessary to step up mine development and improve ore quality as well.

Zou Jiahua said: Apart from the above problems, we must also attach importance to the production and quality of auxiliary raw materials which have a direct bearing on the quality of steel products.

Zou Jiahua said: While properly carrying out technological transformation, all enterprises must approach problems systematically from a macroscopic point of view. While transforming main production procedures, they must never overlook the transformation of auxiliary working procedures, otherwise the latter may affect output and product quality, thus slowing down the whole production process. Therefore, he said, we must see that supporting technological transformation projects be carried out in a well coordinated way, the whole technological transformation project be well planned as an entire systems engineering project, and systematic studies be made to ensure coordinated development of enterprises.

Coastal Economic Zones Economically Active

OW1409062890 Beijing XINHUA in English
0615 GMT 14 Sep 90

[Text] Beijing, September 14 (XINHUA)—China's 14 coastal economic and technological development zones have become the most active economic areas in the country, the OVERSEAS EDITION of the "PEOPLE'S DAILY" reported today.

The newspaper said these zones are operating smoothly without dependence on state's investment.

Developed since 1984, according to the paper, these zones in 12 large and medium-sized coastal cities have approved of setting up 660 foreign-funded projects, and 800 enterprises have gone into production.

According to statistics, the industrial output value of these zones totalled 5.53 billion yuan (about 1.17 billion U.S. dollars) last year, up 56 percent over the previous year; delivered 500 million yuan (about 106 million U.S. dollars) to the state in tax and interest; and exported about 500 million U.S. dollars worth of goods, up 59 percent.

The industrial output value, delivery and exports of these zones this year will register a big increase.

According to the paper, most of the approved imported projects are technically advanced and have made profits.

China Knowledge Series on Water Conservancy

OW1109061390 Beijing XINHUA in English
0539 GMT 11 Sep 90

["This is the 112th part in the series 'Knowledge About China' which began April 16"—XINHUA editor's note]

[Text] Beijing, September 11 (XINHUA)—In a national irrigation campaign that began last winter, China has dug irrigation canals to improve the water supply on 4.7 million hectares of land and provide water for seven million rural people, an official from the Ministry of Water Resources said today.

The amount of land improved since last winter is 26 percent more than the annual average improved by irrigation canals of the past three years.

The irrigation campaign aims to prevent floods and provide a basis for longterm agricultural development.

To control flooding, China has built or improved 200,000 kilometers of dikes along the country's seven longest rivers: the Yangtze, Yellow, Huaihe, Pearl, Liaohe and Songhuajiang. Moreover, since 1949 when the People's Republic of China was founded, almost 83,000 reservoirs have been built, with a total storage capacity of 450 billion cubic meters.

Today, 48 million hectares of arable land, nearly half the country's total, are irrigated, and about 80 percent of the lowlands and 33 percent of areas damaged by soil erosion have been brought under control.

Statistics from the Ministry of Water Conservancy shows that China has built water conservancy projects worth 100 billion yuan, supplying 57 billion cubic meters of drinking water annually for urban dwellers.

Soil Erosion Under Control in Key Regions

OW1309100890 Beijing XINHUA in English
0935 GMT 13 Sep 90

[Text] Beijing, September 13 (XINHUA)—Soil erosion has been basically controlled at eight valleys and regions which were plagued by loss of top-soil for centuries, thanks to comprehensive measures adopted in the past seven years, according to "China Development News."

They are the valleys of Wuding, Sanchuan, Huangpu-chuan, Yongding and Liuhe Rivers, Dingxi and Xingguo Counties, and the upper area of the Gezhouba reservoir. The eight areas cover 92,644 square kilometers.

In the past, soil erosion affected 62,399 square kilometers.

At the Wuding, Sanchuan and Huangpuchuan Valleys, more than 300 million tons of top-soil are washed away each year, causing serious silting up at the lower reaches of the Yellow River, China's second longest.

In 1983, these areas began large-scale farmland capital construction, planting trees and grass, and building small water conservation projects.

In the past seven years, they have improved some 140,000 hectares of farmland and planted 1.23 million

hectares of trees and 330,000 hectares of grass. In addition, a large number of water conservation projects have been constructed with a total completion of 4.8 billion cubic meters of earth work.

As a result, the volume of soil washed into the Yellow River from the Sanchuan River was cut by 58.8 percent or some 17.196 million tons a year. The per-hectare grain output in these areas was increased by more than one ton on average.

East Region

Anhui's Lu Rongjing Stresses Party's Basic Line

OW1309030490 Hefei ANHUI RIBAO in Chinese
2 Sep 90 p 1

[Excerpts] In late August, Lu Rongjing, provincial party committee secretary, inspected Bengbu and Huainan cities, as well as over 20 enterprises and some districts, townships, and villages in Wuhe, Guzhen, Huaiyuan, and Changfeng counties. He inquired in detail into the current conditions of industrial and agricultural production and the building of the party's grass-roots organizations by going to the production workshops and the open fields to hold many discussion meetings. He stressed that it was necessary to thoroughly conduct reeducation to renew the understanding of the party's basic line, and to closely adhere to that line in carrying out all fields of work, with the firmly established ideology that economic development was the central task.

Lu Rongjing noted: Currently, the work is complicated and full of difficulties, but it also means opportunity. It is crucial to fully and accurately understand the party's basic line; uphold the four cardinal principles; persist in making reform and opening to the outside world; regard economic development as the central task; and concentrate all energy on developing social production. Economy should be developed before political and social stability can be firmly established. He urged all trades, professions, and people in all circles to show concern for, understand, support, and offer their services to economic work.

Lu Rongjing noted: To fully understand and implement the party's basic line is not an abstract, but a concrete matter. First, leading comrades at various levels must adapt their understanding and mentality to the need to develop socialist commodity economy; constantly strengthen the concepts of market, efficiency, interest, timing and competition; dialectically analyze the situation; recognize the advantages; raise spirits; and heighten the sense of urgency and responsibility in making continuous improvement. Meanwhile, workstyle must be practical, and all fields of work must have well-conceived plans and concrete goals of struggle. This should be done at all levels. They should refrain from doing things at the whim of the moment. When formulating plans and goals, it is necessary to be practical and make full use of local advantages. [passage omitted]

Lu Rongjing repeatedly emphasized the need to strengthen the building of the party's grass-roots organizations in rural areas. He said: This is a focal point and foundation for the building of the party as a whole. With a weak foundation, no matter how competent and effective the higher party committees may be, it will not work, and implementing the party's line, principles, and policies at the grass roots will be difficult. [passage omitted]

During his inspection, Comrade Lu Rongjing was very concerned about village and town enterprises. He said:

In the more developed counties and cities, such as Bozhou, Tongcheng, Tianchang, and Ningguo, village and town enterprises account for half the total social output value, and a third of the financial revenue. The less developed localities lag behind primarily in the development of village and town enterprises. Experiences have shown that developing village and town enterprises is a necessary step toward revitalizing rural economy and materializing the target of being comparatively well-off. [passage omitted]

Everywhere Comrade Lu Rongjing went, he would inquire in detail about family planning, emphasizing the need to promote economic development while controlling the population, and to resolutely reduce the excessively high rate of population growth through a strict system of reward and penalty, meticulous efforts, and perseverance. [passage omitted]

Jiangsu Continues Crackdown on Corruption

OW1209221390 Nanjing Jiangsu Provincial Service
in Mandarin 0915 GMT 27 Aug 90

[Text] The provincial party committee and the provincial government have continued to crack down on corruption, promote a clean government, and improve party style, which they regard as an important measure for implementing the decisions of the Sixth Plenary Session of the 13th CPC Central Committee. They have scored better results by making intensive efforts to solve problems of concern to the masses and handle individual cases in a thorough manner. The masses have noticed that the economy is rebounding gradually and party style is improving with time.

In the first half of the year, party committees and governments at all levels throughout the province made new progress in implementing the decisions of the provincial party committee and the provincial government by performing eight pieces of solid work of concern to the masses.

A total of 5,930 companies were closed or merged throughout the province, accounting for 28.9 percent of the total number of various types of companies. In addition, cases of companies that violated either law or discipline were investigated and handled. Some 6,685 unused housing units had been uncovered throughout the province, 2,053 of which were reclaimed for use. A total of 56,121 cases of private houses built by cadres had been screened, of which 10,960 were found to be questionable. As of now, 8,669 of these cases have been handled.

Discipline inspection organs at various levels throughout the province have investigated and handled 5,144 cases of violation of discipline within the party, closed 3,230 cases, and punished 3,308 party members. They have succeeded in stopping the malpractices of party and government organs and cadres who violated regulations by giving and accepting dinner parties and gifts with public funds. They have also scored results in cleaning

up malpractices such as setting up unauthorized petty cash accounts, defaulting on public funds, and altering household registry from agricultural to nonagricultural status in violation of regulations.

Since the Sixth Plenary Session of the 13th CPC Central Committee, leading cadres at various levels have gone down into the grass-roots units to conduct investigations and studies, established closer communications with the masses, and participated in manual labor programs. In particular, they have traveled to places that experience greater difficulties to help solve the actual difficulties and problems of the people there, thereby improving the relations among the party, the cadres and the masses.

In the course of cracking down on corruption, establishing a clean government, and doing solid work, the various localities and departments also have rectified the malpractices of the various trades and professions and constantly improved their work in all fields.

The provincial supply and marketing departments have implemented the policy of Six Open Rules and Ten Prohibitions when handling the issue of fertilizer and farm chemical supply which have aroused strong complaints from the peasants. In making monopolized sales of materials for agricultural use, they would rather make less profits than cause losses to the peasants. Last year the provincial supply and marketing cooperative and the farm machinery company directly allotted 200 metric tons of high quality fertilizer without a single occurrence of preferential treatment.

Currently, in accordance with the plans of the party Central Committee and the State Council, party committees and governments at all levels throughout the province are attaching importance to correcting malpractices in the various trades and professions, regarding it as a major task for cracking down on corruption, establishing a clean government, and doing solid work. They are also rectifying the malpractices of indiscriminately charging fees, exacting funds, and imposing fines. Meanwhile, they extensively are launching educational measures on professional ethics and establishing healthy mechanisms of internal constraints and supervision within the various trades and professions to improve the qualities of all cadres, workers, and staff, thereby establishing a good professional workstyle.

Central-South Region

Lin Ruo Speaks at Guangdong Antidrought Meeting

HK1309042590 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 12 Sep 90

[Text] The provincial party committee and government last night held a telephone conference, assigning present tasks of combating against droughts for harvests, building water conservancy works for this autumn and the coming winter, and making unremitting efforts for afforestation and protection of forests.

Provincial party committee Secretary Lin Ruo and Vice Governor Ling Botang addressed the meeting. Ling Botang pointed out in his speech that a recent rainfall has somewhat relieved or mainly ended the drought in some areas of the province. However, the rainfall in Shaoguan, Qingyuan, Zhaoqing, Jiangmen, and Yangjiang was not enough and these cities are still prone to drought to a certain degree. The provincial party committee and government hoped cadres and the masses there would continue to rouse their enthusiasm to combat droughts for late rice harvests. Ling Botang pointed out that the guidelines of the national and provincial meetings on water conservancy and water and electricity supply had been conveyed and implemented in many areas of the province, the enthusiasm of the broad masses of the people for building water conservancy works is very warm and construction of water conservancy works is carried out on a solid basis. Nevertheless, some areas are slow to act. We hope that this autumn these areas will adopt effective measures to pay adequate attention to construction of water conservancy works. Ling Botang also raised demands on afforestation and protection of forests.

During the telephone conference Lin Ruo particularly emphasized continuous efforts for afforestation and protection of forests. He fully affirmed Yangjiang City's successful general survey of barren hills and its serious attention to weak links in this field of work. He called on all localities to organize a mighty force to conduct an overall survey of barren hills this autumn, as Yangjiang City had, and then work out plans to make up what is deficient and implement the plans item by item.

Hainan Development, Environment Committee Set Up

OW1309175090 Beijing XINHUA in English
1506 GMT 13 Sep 90

[Text] Haikou, September 13 (XINHUA)—The International Consultative Committee for Hainan Economic Development and Environmental Protection was set up in this capital of Hainan Province today.

Hainan is the largest special economic zone in China, and it is carrying out the open-door and reform policies actively and comprehensively.

According to Bao Keming, vice-governor of the province, Hainan wants to find a way to combine economic development with environmental protection.

The new committee is to provide suggestions to the provincial government on the coordination of economic development with environmental protection. It will also help set up relations with international organizations connected with science, technology and development.

The committee consists of eight Chinese members and eight foreign members. He Kang, the vice-chairman of the China Association for Science and Technology, is the first chairman of the committee, and Dr. W. Martin

Holgate, director general of the International Union for the Conservation of Nature, chairs the joint conference.

Radio, Television Inspections Begin in Hunan

*HK1309083690 Changsha Hunan Provincial Service
in Mandarin 2200 GMT 11 Sep 90*

[Text] In order to further purify the audio-visual front, rectify propaganda order, and stamp out discipline-violation phenomena, beginning from mid-August, the provincial radio and television department organized inspection teams and conducted a general propaganda-discipline examination in all the radio and television departments and their affiliated departments across the province. The overall examination concluded in the first 10 days of September. Few units which have seriously violated disciplines will be strictly investigated and dealt with. At the same time, a batch of model discipline-abiding units will be commended. Moreover, greater efforts will be made to further strengthen the propaganda management system.

The inspection carried out in 14 prefectures and cities by the inspection teams shows that, on the whole, all the radio and television departments and their affiliates have strictly observed propaganda disciplines and made no major deviations or mistakes. However, some discipline-violation phenomena have also emerged over the past few years. For instance, few television relay stations and television insertion and relay stations break off relay signals without official approval to insert and broadcast self-made news programs and video tapes. Some television stations indiscriminately broadcast overseas telefilms which have not been officially censored and approved and video tapes without copyright, thus seriously disrupting the normal radio and television propaganda order and causing strong resentment among the broad masses of listeners and audience. In view of this situation, the provincial radio and television department has formulated 10 regulations aimed at strengthening propaganda management and called on the broad masses of listeners and audience to strengthen supervision of radio and television propaganda and make joint efforts to improve the operation of our provincial radio and television.

Southwest Region

Tibetan Stability Seen as Important, Necessary

*OW1409033090 Lhasa XIZANG RIBAO in Chinese
13 Aug 90 p 1*

[Article by Zhang Yiji (4545 0110 4385): "Stable Popular Sentiments Are the Foundation of Stability"]

[Text] Stability is of paramount importance. It represents the fundamental interest of people of all nationalities and, above all, is the common aspiration of people of all nationalities. If any country or region lacks stability, its society is beset with upheavals, its economy is chaotic and continues to languish, its people barely are

able to live and work in contentment, and its government hardly is able to function. Naturally, it simply is impossible for such a country to have a society which has long-lasting peace and steady economic development.

The strong impact caused by the student unrest between late spring and early summer of last year, which later developed into upheaval and a counterrevolutionary rebellion, substantially has undermined China's stable and united political situation and its social stability. Although the situation has changed fundamentally because of hard work during the past year and longer, the cause of unrest and instability still remains. International reactionary forces, in particular, still are colluding with some so-called "elite elements" in pushing their peace evolution strategy. They make provocations, create rumors, and incite resentment everywhere. They continue to exercise pressure upon us, wildly attempting to put out the flames of the communist movement and eliminate the socialist system throughout the world. They have caused considerable difficulty for our endeavor to achieve long-lasting peace and economic prosperity in our society. Moreover, separatist forces inside and outside Tibet also have been working hand in glove in dividing our motherland, provoking national relations, and undermining national unity. Since September 1987, they time and again have created unrest in Lhasa, seriously obstructing Tibet's normal production and living order. Meanwhile, in the name of "human rights," international reactionary forces have continued to interfere in our Tibetan affairs, and they have caused great confusion in their attempt to internationalize the Tibet issue. Thanks to efforts by people of all nationalities in the last few years, major victories have been won in the struggle against separation. Nevertheless, the struggles between separation and counterseparation, infiltration and counterinfiltration, and peaceful evolution and counterpeaceful evolution will continue to be complex fights for a long time to come. Launching in-depth struggles against separation in an effort to achieve greater stability in Tibet will continue to be a formidable mission facing us. We fully must understand this necessity, maintain a high degree of vigilance, and strive to do everything possible to achieve stability. Only when we do everything conducive to stability and subordinate everything to stability can we completely smash the conspiracies of the international reactionary forces and the separatist forces at home and abroad; can our society achieve long-lasting peace; can our economy develop in a sustained, steady, and coordinated manner; can our people live and work in contentment; and can our material and cultural life continue to improve—all on the basis of the cornerstone of stability.

In fact, stability means stability among people in society, in which people play the main role. In the final analysis, it means stability among the people and stability of popular sentiments. If the people are emotionally unstable, so will the situation be unstable. If everyone is full of complaints and resentment, if everyone thinks differently and goes his or her own way, it is impossible

for them to create a powerful coherent power among themselves. Under such circumstances, even if the situation looks perfectly calm on the surface and even if no one speaks or acts unscrupulously, the situation still resembles a volcano that will erupt and cause even greater disturbances at the slightest provocation. This being the case, no ruling class can rely on high-handed policy or cudgel politics [gui bang zheng zhi 2760 2761 2398 3112] to produce a stable society or a stable situation. Much less can it do so by yelling and singing through "loudspeakers." To achieve and maintain stability, we must make unremitting and genuine efforts to share weal and woe with the vast number of people and win their trust and support. Only when we have won the people's genuine trust and wholehearted support will they be willing to work hard in unity to achieve the common goal. This is precisely what all reactionary ruling cliques or political forces have failed to do. However, our party is different from all other ruling cliques or political forces. This is why our party can grow from a small and weak party into a large and strong party that has achieved one victory after another.

Stability depends on stabilized minds, and stabilized minds can come about only when the people's hearts genuinely have been won over. Once the people's hearts have been won, it means we have won the people over; once the people have been won over, we will have strong backing and a source of strength. We will have a stabilized situation and a stabilized great rear area, and we will be invincible everywhere.

Our party consistently adhered to the fundamental objective of serving the people wholeheartedly for over half a century. It extensively mobilized and organized the masses, educated them and did propaganda work among them, and led them in fighting bloody battles and in hard struggles to overthrow imperialism, feudalism, and bureaucrat-capitalism, which weighed like mountains on the backs of the Chinese people. This led to scoring great achievements in socialist transformation and construction that attracted worldwide attention, winning the sincere love and support of the people of all nationalities, and establishing relations as close as blood and flesh with the people. Confronted with the grave situation at present, our party will still rely on the backing of the people, strike roots among them, and unite with them to thoroughly smash the criminal attempts of all reactionary forces. Due to our relaxation of ideological and political work and party building in the past few years, some corruptive practices emerged in our party, lowering to some degree our party's prestige among the people and giving the reactionary forces an opportunity to exploit. This has been a profound lesson for us. Nevertheless, we should take note that our party's purpose of serving the people wholeheartedly and of relying on them wholeheartedly has remained unchanged, that our party ranks as whole are good and honest, and that the masses of people do want stability and development and truly regard our party as the faithful representative of their interests. Our party will

further win the hearts of the people so long as we successfully deepen education in patriotism, socialism, policies on nationalities, and the legal system; raise the people's ability to distinguish between right and wrong; and guide the masses to take part, as masters of their country, in the struggle to stabilize the situation. Hearts will also be won so long as we closely rely on the people of all nationalities throughout the region, give full scope to the role of party organizations as a fighting bastion and to the role of party members in the region as an exemplary vanguard, strengthen the building of a clean government, strive to overcome negative phenomena of corruption, wholeheartedly promote the well-being of the people of all nationalities throughout the region, share weal and woe with them, serve as their public servants, thoroughly expose the sinister aims of international reactionary forces and the forces of splittism, strengthen the people's democratic dictatorship, deal blows at the enemy, and protect the people. Our party's noble image, which has been damaged by a small handful of corruptive elements and by hostile forces through rumors and slanders, will be restored and improved quickly; our party's flesh-and-blood relationship with the masses of people will become closer; and the people will give their heart-felt support to the leadership of the party and consciously serve as its strong backing.

Standing on firm ground, wholeheartedness, working for the public honestly, and maintaining a clear-cut stand—this has been the foundation upon which our party has relied to win the trust of the people over the past newly 70 years; still more, it is the foundation that guarantees our party's gaining one victory after another. We will be able to stabilize the people's minds, the people, and the situation if we stick to these principles and carry them forward.

Construction of Ideology, Party Foundation Viewed

OW1409073390 Lhasa XIZANG RIBAO in Chinese
13 Aug 90 p 1

[Article by Luo Yingchao (5012 5391 6389): "Maintain Unity With the Party Central Committee, Strengthen the Party's Ideological Construction"]

[Text] The party's ideological construction is the foundation of party building in all areas. Strengthening the party's ideological construction means persistently and continually using Marxism-Leninism-Mao Zedong Thought to arm the whole party, remold all kinds of non-proletarian ideology, and overcome and rectify all kinds of erroneous tendencies and ideology to achieve a high degree of ideological-political unity throughout the party.

To do so, we must first enforce political discipline and consciously maintain unity with the party Central Committee. The Central Committee elected by the party congress is responsible for enforcing the resolutions of the party congress, exercising leadership over all party work, and representing the CPC externally. To maintain a high degree of ideological-political unity throughout

the party, we must consciously safeguard the Central Committee's authority and maintain unity with it. This is our party's political discipline. Our party's current political discipline requires every party organization and individual member to maintain unity with the party Central Committee while upholding the four cardinal principles and the line adopted since the the Third Plenary Session of the 11th CPC Central Committee. Maintaining unity with the party Central Committee means to integrate its line, principles, and policies with the concrete practice of our locality, department, or unit. It means to bring our initiative and creativity into full play and carry out our work independently and responsibly.

Second, we must set strict demands on ourselves according to the "Constitution of the Communist Party of China" and the "Guiding Principle for Inner-Party Political Life." The "Party Constitution" is the CPC's fundamental law, the norm and criteria for all party members and organizations to observe and the foundation for the party's existence. The "Guiding Principle" is also the CPC's important code of conduct, which supplements and improves upon the "Party Constitution." The "Party Constitution" and the "Guiding Principle" are the highest criteria for unifying the party's ideology and conduct and for regulating its members' words and deeds. Every party member must recognize the "Party Constitution" and the "Guiding Principle" as such and observe and enforce them accordingly. This is the minimum requirement of a party member.

Third, we must study Marxism-Leninism-Mao Zedong Thought and use it to remold our subjective and objective world. We realize from practice that Marxism-Leninism-Mao Zedong Thought has not become outdated; on the contrary, it is the ideological foundation for the whole party to unify understanding and enhance unity and a great banner embodying the strength of all sectors and guiding our cause to victory. Promoting the study of Marxism-Leninism-Mao Zedong Thought throughout the party, particularly the study of Marxist philosophy, has far-reaching significance in strengthening the party's ideological construction. We must integrate the study of Marxism-Leninism-Mao Zedong Thought with our efforts to remold the subjective and objective world. In studying Marxism-Leninism-Mao Zedong Thought, we must constantly think about ourselves and reality. We must integrate theory with practice. We must study it in order to apply it in resolving ideological problems, arming our minds, and guiding our practice. We must abandon some of our predecessors' theses which contain utopian elements because of the limitations of their historical conditions. We must break away from dogmatic understanding of Marxism-Leninism-Mao Zedong Thought and the erroneous viewpoints added to it. We must continue to broaden our vision, develop new concepts, and enter new realms along with the development of history. In his long period of revolutionary struggle, Comrade Deng Xiaoping has been good at integrating the fundamental tenets of

Marxism-Leninism-Mao Zedong Thought with the concrete practice of China's revolution. His thought and theory constitute an important part of Marxism-Leninism-Mao Zedong Thought. Thus, seriously studying Comrade Deng Xiaoping's works will help us understand the history of the Chinese revolution and construction and the Chinese Communists' principled stand and their creativity, advance the four socialist modernizations, the reform, and the opening to the outside world, uphold the the four cardinal principles, and wage struggle against bourgeois liberalization.

Fourth, we must cultivate and strengthen party spirit and foster the lofty ideal of dedicating our whole life to communism. The party spirit of a communist is the highest expression of his class character in a nutshell. The principal elements of party spirit include communist ideals and belief, a purpose of serving the people wholeheartedly, the ideological line of seeking truth from facts, the dialectical materialistic and historical materialistic world outlook and methodology, and the self-sacrificing spirit and dedication for the interests of the party and the people. Devotion to one's work and sense of responsibility, which people often talk about, are also the components of party spirit. Cultivating one's party spirit means tempering one's party spirit and tempering oneself in practice according to the standards required of a vanguard of the working class. There are three aspects in cultivating party spirit. The first is theoretical cultivation. We must truly raise our revolutionary theoretical and policy standards, foster correct world outlook and methodology, uphold the principle that practice is the criterion of truth, and use the stand, viewpoints, and method of Marxism-Leninism-Mao Zedong Thought to analyze and solve problems and implement the party's line, principles, and policies. The second is ideological cultivation. We must use proletarian ideology to remold non-proletarian ideology and change our individualism and selfishness. We must dedicate ourselves selflessly and subordinate our individual interests to the interests of the party and the people. We must foster a communist outlook on life, build the party for the interests of the people, and work diligently and honestly. We must not use our position to seek personal interest. We must wage resolute struggle against all kinds of erroneous ideas, words, and deeds. In light of Tibet's reality, we must further promote the "development of Tibet on a long-term basis and the spirit of making the frontier our home, regarding hard work an honor and pleasure, and fearing neither hardships nor death." The third is cultivation of organizational discipline. We must strengthen organizational discipline and conduct business according to democratic centralism. We must take part in the party's organizational life according to schedule, accept assignments given by the party organization, implement the party's line, principles, policies, and resolutions, and perform our duty as party members. We must accept the supervision of the party and the people, observe party discipline and the country's law, and work honestly. The fourth is cultivation of a good work style. We must carry forward and develop the party's fine

traditions and work style of seeking truth from facts, forging close ties with the masses, and criticism and self-criticism.

Northeast Region

He Zhukang's Open Letter on Fire Prevention

SK1309095790 Changchun Jilin Provincial Service
in Mandarin 2100 GMT 12 Sep 90

[Text] The provincial conference on planting trees in the eastern mountainous areas and the provincial conference on 1990 autumn forest fire prevention ended in Tonghua City on the afternoon of 12 September, during which an open letter for the broad masses of cadres and people throughout the province jointly given by He Zhukang, secretary of the provincial party committee, and Governor Wang Zhongyu, on successfully carrying out this year's autumn forest fire prevention was read.

The open letter reads: Thanks to the joint efforts of the broad masses of cadres and the people, Jilin has had no serious forest fires for nine years running. This year is the last year for realizing the goal of having no serious forest fires for ten years in our province and is a year of crucial importance. The open letter called on the broad masses of cadres and people to comprehensively implement this year's autumn forest fire prevention responsibility system and measures, manage in accordance with the law, strictly control fires and do a good job in the battle of tackling the most difficult problems in this year's autumn forest fire prevention and in winning a victory.

Liaoning Namelist of Top Party People

SK1309102590 Shenyang LIAONING RIBAO
in Chinese 9 Aug 90 p 1

[Text] Following is the namelist of secretary, deputy secretaries, and members of the Standing Committee of the Seventh Liaoning Provincial Party Committee:

Secretary: Quan Shuren

Deputy secretaries: Yue Qifeng, Sun Qi, and Shang Wen

Members: Quan Shuren, Yue Qifeng, Sun Qi, Shang Wen, Wang Julu,

Gao Zi, Zhu Jiazhen, Wang Chonglu, Ma Shenglin, Zhang

Guoguang, Li Guozhong, and Xu Wencai

Following is the namelist of members and alternate members of the Seventh Liaoning Provincial Party Committee:

Members (in the order of the number of strokes in the surnames): Yu Xiling, Yu Junbo, Ma Shenglin, Ma Zengqing [7456 1073 3237], Wang Zhan [3769 0594],

Wang Wenqian, Wang Julu, Wang Yachen, Wang Xiangmin, Wang Chonglu, Wang Junfeng, Cong Zhenglong, Liu An [0491 1344], Liu Qingkui, Liu Hairong, Liu Zhenhua, Sun Qi, Xu Shilian, Quan Shuren, Zhu Jiazhen, Bi Xizhen, Zhang Guoguang, Zhang Lingyun [1728 0407 0061], Zhang Huanwen, Li Guozhong, Li Zhen-dong [2621 2182 2639], Xiao Zuofu, Shao Bingren, Leng Shaozhe [0397 4801 0772], Chen Suzhi, Shang Wen, Lin Sheng, Yue Qifeng, Wu Chunhe [0702 2504 3109], Luo Xiduo, Wen Shizhen, Zhao Chengshun [6392 2052 7311], Zhao Xizheng [6392 1585 2973], Hu Guoqing, Luo Jixun [7482 4949 8113], Xu Sheng, Xu Wencai, Xu Hongzhang [1776 7703 4545], Gao Zi, Guo Dawei, Tang Tiehan, Cao Mingyuan [2580 2494 6678], Cheng Xichang, and Dai Hongwu.

Alternate members (in the order of the number of votes): Jin Dong, Jin Zhuhua [6855 4554 5363], Zhang Guoguang, Jin Tongji [6855 0681 4469], Lou Dengya [1236 4098 0068], Lu Hongde [4151 7703 1795], Xu Wanying [1776 8001 5391], Yu Yongxiang [0060 3057 4382], and Zhou Wenzhi [0719 2429 2535].

Liaoning Party Commission Names Listed

SK1309110990 Shenyang LIAONING RIBAO
in Chinese 9 Aug 90 p 1

[Text] Following is the list of names of the vice chairman and members of the Liaoning Provincial CPC Advisory Commission:

Vice Chairman: Ge Xifan

Members (in the order of the number of strokes in the surnames):

Ma Ben [7456 1149]

Liu Bin

Liu Zheng [0491 6927]

Xing Xiwen [6717 5045 2429]

Sun Shuanglian [1327 7175 6647]

Sun Jianhua

Li Gang [2621 6921]

Song Jian [1345 0494]

Zhang Wenli [1728 2429 4409]

Yang Mingjie [2799 2494 4634]

Shang Zhi, Duan Yongquan [3008 3057 3123]

Xu Buyun

Ge Xifan.

Following is the namelist of secretary, deputy secretaries, standing committee members, and members of the Liaoning Provincial CPC Discipline Inspection Commission:

Secretary: Sun Qi

Deputy Secretaries: Zhang Chenlun, Jiao Shuaizhang, and Fu Jiaji

Standing Committee Members: Sun Qi, Zhang Chenglun, Jiao Shuaizhang, Fu Jiaji, Song Xudong [1345 2485 2639], Xie Guangren [6200 1639 0088], and Ding Yuxue.

Members (in the order of the number of strokes in the surnames): Ding Yuxue, Bu Weiye, Yu Fengsheng, Yu Baoguo, Yu Guirong, Ma Hongkuan [7456 7703 1401], Wang Gang [3769 6921], Wang Huimin [3769 1920 3046], Tian Fengqi [3944 7364 1477], Feng Yanxiang [7458 1693 4382], Bai Yinxiang, Sun Qi, Sun Guoming, Liu Liansheng [0491 6647 3932], Liu Zhiliang, Qu Shaojie, Zhu Baoshun, Lu Chunjia [0712 2504 3946], Zhang Zifeng [1728 1311 1496], Zhang Yongfu [1728 3057 4395], Zhang Chenglun, Zhang Bangsong, Yang Yeqin, Song Xudong, Li Liansheng [2621 6647 3932], Li Baosen, Zhou Fangduan, Zhou Minglu, Shan Zhiying [0830 1807 3467], Tao Yanmin, Jiao Shuaizheng, Xie Guangren, Fu Wanzhong [0265 8011 1813], Fu Jiaji, and Liao Weiman [1675 4850 3341].

Liaoning's Quan Shuren Gives Party Work Report

SK1209150190 Shenyang LIAONING RIBAO
in Chinese 8 Aug 90 pp 1, 2, 3

[Report given by Quan Shuren, secretary of the Liaoning Provincial CPC Committee, at Seventh provincial CPC congress on 31 July: "Unswervingly Implement the Party's Basic Line, Accelerate Development and Construction of Liaodong Peninsula, and Strive To Comprehensively Rejuvenate Liaoning"]

[Text] Comrades:

The Seventh Liaoning Provincial CPC Congress opened at the important moment when party organizations at various levels throughout the province were leading the vast number of party members and the public to march confidently toward the second-step grand goal of socialist modernization along the direction indicated by the party's basic line. Major tasks of the congress are: to discuss the work report of the Sixth Liaoning Provincial CPC Committee, to elect the new Liaoning Provincial CPC Committee, provincial Advisory Commission and provincial Discipline Inspection Commission, and to mobilize the people of various nationalities throughout the province to unswervingly implement the party's basic line, raise spirit, brave the way forward, accelerate development and construction of Liaodong Peninsula and strive to comprehensively rejuvenate Liaoning.

Entrusted by the Sixth Liaoning Provincial CPC Committee, I will now give a work report to this congress for its examination and discussion.

1. Review of the Work of the Past Five Years

It has been five years since 1985 when the sixth provincial party congress was held. In the past five years, party organizations at various levels, the vast number of party members and the public conscientiously implemented the principle of "reform, opening up, transformation,

and development" in line with the strategic goal of "working hard for the prosperity of the country, rejuvenating Liaoning, serving the entire country, and marching toward the world" as defined at the sixth provincial party congress, and actively plunged into the implementation of the Seventh Five-Year Plan and the work in various fields for reform. After the party Central Committee and the State Council gave approval for Liaodong Peninsula to open to the outside world, people throughout the province again adopted a new attitude, and braved the way forward to accelerate development of the export-oriented economy, thus bringing our province's socialist modernization to a new stage of development. In that period, with the guidance of the party's basic line, party organizations at various levels led the people of various nationalities throughout the province to carry out a great amount of fruitful work to withstand the test of the struggle against bourgeois liberalization, especially the struggle to check the turmoil and suppress the counterrevolutionary rebellion that occurred at the turn of spring and summer last year, and to withstand the test of temporary difficulties in economic life brought by serious natural disasters. The political, economic, and social situation was stable, reform, opening up, and the economic improvement and rectification were deepened continuously, the national economy was steadily developed, and the living standard of the people was notably improved. The major tasks defined at the sixth provincial party congress were by and large accomplished. The past five years were a very unusual period, a period with arduous tasks and complicated struggles, a period to overcome difficulties and make progress indomitably, and a period to score tremendous achievements in various undertakings.

We deepened reform and opening up to the outside world, and created a new situation in Liaoning's economic development. In the past five years, party organizations at various levels, the vast number of Communist Party members and the public adhered to the socialist orientation, emancipated their minds, worked hard to conduct exploration, and actively facilitated reform and opening up. Profound changes took shape in people's ideas and ways of thinking. People enhanced their sense of reform and opening up, the unitary planned economy and the closed and semiclosed economic system began to break, and the socialist commodity economy witnessed rapid development. The responsibility system with rural household output-related contracts as the major form was consolidated and developed, the optimum-scale specialized and intensive farming method began to appear, and a socialized service system was gradually taking shape. The structure of agriculture was adjusted, the diversified economy was developed comprehensively and, in particular, township enterprises already became an important pillar of the rural economy. In line with the orientation of combining the planned economy with market regulation, cities focused their work on invigorating enterprises, actively conducted economic structural reform, expanded the decisionmaking power of

enterprises, universally popularized the contract responsibility system in management with "one contract and five reforms" as the main content, and effectively mobilized the enthusiasm of managers and producers; they promoted lateral economic cooperation, developed enterprise groups, optimized the formation of the essential production factors, promoted the readjustment of enterprise organizational structure and the display of group superiority, made valuable explorations on reform of systems in such aspects as planning, pricing, finance, banking, labor, science, and technology, and achieved certain results. Liaoning Peninsula succeeded in creating a new situation in opening up, and achieved remarkable results in creating foreign exchange through exports, absorbing foreign capital, and importing foreign advanced technology and managerial experiences. Dalian Economic and Technological Development Zone saw an initial shape and displayed an important role as a showcase of opening to the outside world. Dalian began to present itself as a coastal city with a fairly strong appeal. Progress was made in the construction of the Yingkou Export Processing Zone and the Tiexi Industrial Transformation Zone in Shenyang. The annual average foreign-exchange earning created through exports by localities throughout the province increased 19.2 percent and reached \$2.12 billion in 1989, the highest record in history. A number of specialized export-oriented plants and bases was established, thus enhancing the competitive ability of products. The completion of Shenyang-Dalian expressway, international airport, and a group of ports one after another and the operation of modernized telecommunications facilities helped to remarkably improve the investment climate. Fairly good progress was made in economic and technological cooperation. During the past five years, we actually used a total of \$1.78 billion yuan of foreign capital and established 746 joint, cooperative, and solely foreign-funded enterprises. Reform and opening up promoted development and construction in the "eastern, western, and northern parts of Liaoning," and gratifying changes took place in some economically underdeveloped areas.

We prefulfilled the Seventh Five-Year Plan and remarkably intensified our economic strength. The major targets of the Seventh Five-Year Plan were prefulfilled. Comparing 1989 with 1985, the whole province's total social output value reached 213.76 billion yuan, an increase of 48 percent; the GNP, 92.21 billion yuan, an increase of 36.4 percent; the total industrial and agricultural output value, 119.69 billion yuan, an increase of 48 percent; the national income, 77.1 billion yuan, an increase of 33.6 percent. The basic industries and urban infrastructures were further strengthened and the environment for production and living improved noticeably. Good results were achieved in "invigorating Liaoning with science and technology," and more than 15,000 scientific and technological findings were made in the past five years. The technological installations of a number of large and medium-sized enterprises were revamped, thus laying a foundation for regenerating

some old industrial bases. The agricultural input increased every year and in grain production, fairly good harvests were maintained under a situation in which we were hit by disasters for three years running. The output of meat, aquatic products, vegetables, and fruits increased by a large margin. There was an ample supply of nonstaple food. The livelihood of the people improved year after year. In 1989, the average per-capita income of the urban and rural people increased by 99.2 percent and 52.4 percent respectively as compared with 1985; great changes were seen in the consumption structure of the masses and the number of household durable consumer goods for the people generally increased; the housing conditions of urban and rural residents improved slightly. Initial success was made in more than one year of improvement and rectification, the contradictions between supply and demand were alleviated, the excessively rapid trend of inflation and price hikes was brought under control, and the national economy was developed towards a good orientation.

We made unceasing efforts to promote the building of socialist democracy and the legal system, and consolidated and developed a stable and united political situation. The functions and role of the local people's congresses at all levels were further strengthened. The people's congresses at all levels and their standing committees effectively provided legal and work supervision. New progress was made in local legislative work. During the past five years, the province as a whole formulated and promulgated 51 local laws and regulations. Through conducting education on popularizing legal knowledge centering on "ten laws and one regulation" among all the people, cadres at all levels, and the masses of people success in further strengthening their sense of the legal system of knowing, enforcing, and observing laws and their ideology of political participation was achieved and democratic rights were ensured. People's deputies at county and township levels extensively conducted direct elections according to law, thus achieving progress in grass-roots state power. The system of multiparty cooperation and political consultation under the CPC leadership was improved step by step. We established and improved the system for local party committees to conduct consultation with democratic parties and personages without party affiliation over the major issues on the political and economic lives of the state and recommended a number of persons outside the party to assume government leading posts at and above the county and district level, thus further expanding the channels for democratic parties to participate in and discuss the administration of government and state affairs. Party leadership over the work of the trade union, Communist Youth League [CYL], and women's federation was strengthened and improved, and mass organizations were able to play their role of democratic participation and supervision in the management of state and social affairs. The relations between the Army and the government and between soldiers and civilians became closer, and new achievements were scored in the

People's Armed Forces work. We strengthened the people's democratic dictatorship, persistently adopted comprehensive measures to tackle public security problems, and dealt strict blows to serious criminal and economic offenses according to law, thus ensuring the smooth progress of socialist modernization, reform, and opening up.

We stepped up efforts to build the socialist spiritual civilization, and achieved comprehensive development in various social undertakings. While paying attention to the building of the material civilization, many party organizations attached importance to the building of the socialist spiritual civilization, strove to eliminate numerous interferences, and strengthened leadership over ideological and political work. After the fourth plenary session of the 13th party Central Committee, a favorable turn occurred in ideological and political work. After the struggle against bourgeois liberalization, we conducted extensive education on socialism and patriotism, and intensified the learn-from-Lei Feng activities to enable a great number of advanced examples to emerge and the people's mental attitude to take on a new look. We gave education a strategic position in economic and social development, changed the tendency of neglecting education, improved teaching conditions, replenished the teachers' contingent, raised the quality of education, and further corrected the orientation for running schools. Initial success was achieved in rectifying the cultural market, a number of outstanding works and personnel emerged on the literary and art front, and new achievements were also scored in press and publication, radio and television broadcasts, and social science research. Public health developed steadily. Good results were achieved in family planning, and the population growth of the province was basically brought under control. The goal of building Liaoning into one of the important sports bases of the country was basically attained. Mass activities of building the spiritual civilization were deepened, good results were achieved in the activities of "five stresses, four points of beauty, and three ardent loves," "three outstanding and one study" and "Army-civilian joint efforts," and in the education on professional ethics, and a great number of advanced units emerged.

Party organizations and the vast number of party members underwent training and tests, and party building was gradually strengthened. Practice of the past five years proved that the majority of party organizations and party members in our province were able to withstand tests. They resisted the erroneous tendencies to weaken party leadership, shake the party's ideals and faith, and obscure their nature as a vanguard of the working class, developed their role as fighting bastions, vanguards, and models and, particularly during last year's political storm, led the masses to oppose the turmoil with a firm and clear-cut stand, thus maintaining the basic stability in Liaoning's situation. After the fourth plenary session of the 13th party Central Committee, party organizations at various levels attached greater importance to

improving the party itself, thus changing the situation in which party building was weakened in rural areas and enterprises. In the situation of reform and opening up, efforts were strengthened to improve party style and maintain honest performance of official duties. In the past five years, 45,377 discipline breaches within the party were investigated and handled, 26,527 party members were punished, a group of degenerated elements were cleared away, and some unhealthy trends were checked. We further stepped up efforts to improve leading bodies at various levels and, in line with the principle of "four requirements," reshuffled 1,393 members to replenish the leading bodies of cities, counties, and departments directly under the province. We conducted regular training of cadres, and improved the overall quality of leading bodies at all levels. Through party rectification and clearing-up, and through examination and readjustment of party and government leading bodies and leading cadres at or above the county level, we further purified leading bodies and the ranks of cadres, thus providing an important guarantee for leaving the leadership within the hands of the persons loyal to Marxism. We positively and prudently recruited party members, and attracted a number of excellent persons to join party organizations. We earnestly conducted the democratic appraisal of party members, and re-registration among party members. We extensively launched the activities of "vying with one another in making contributions," "setting up party member responsibility areas," and "setting up groups for making party members and the masses affluent together," thus giving rise to a number of advanced grass-roots party organizations, outstanding party members, and excellent party affairs workers. We also drew up some rules, regulations, and systems in the fields of persisting in collective leadership, improving the inner-party democratic activities, exercising inner-party supervision, and strengthening management of party members, thus gradually standardizing the inner-party activities.

The above-mentioned achievements were the result of the unity and struggle of party members at all levels, the vast number of party members, and the people of all nationalities throughout the province under the correct leadership of the party Central Committee; the result of the vigorous support of the People's Liberation Army units stationed in Liaoning; the result of the support of the provincial Advisory Commission and the warm concern and help of the veteran comrades retreated to the second or third lines; and the result of the full cooperation and concerted effort of all democratic parties and nonparty figures.

Reviewing the process over the past five years, we should not only fully affirm the already-achieved achievements, but also catch sight of the shortcomings and deficiencies in our work by seeking truth from facts. Our major problems over the past five years were: We failed to fully comprehend the basic line of the party, were a little lopsided in implementing the "one central task and the two basic points," and were harsh on the one hand and

soft on the other in grasping the building of the two civilizations. Economic work was not completely oriented to improving economic results. There were the tendencies of laying undue emphasis on reproduction to the neglect of tapping potential, and paying no attention to management and efficiency. There were the phenomenon of overheated economic growth such as the overly large scale of capital construction and the excessively rapid growth of consumption funds. The weak foundation of agriculture, the energy industry, and light industry was not changed thoroughly. The party building work was once weakened. We failed to effectively solve the problems that some party organizations were weak and listless, some party members were lax in discipline and weak in ideals and belief, and some party members indulged in bureaucratism, subjectivism, formalism, and abuse of power for personal gain. Our style of leadership was not penetrating and solid enough. There were more work dispositions and general calls, but less specific examination and guidance. Leaders of the provincial party committee did not completely extricate themselves from the "excessive meetings and documents," lacked sufficient understanding of the practical situation, and thus lacked foresight and scientific basis, and even made mistakes in making policy decisions. These problems indicated that we failed to study Marxist theories well, our leadership expertise was not good, and our ability to command the overall situation amid a complicated environment lagged behind the demand of the objective situation.

Positive and negative experiences made us profoundly understand: The party's basic line is the banner to guide our socialist modernization cause to success. All our achievements have come from the correct implementation of the party's basic line, and all our mistakes, basically speaking, are the result of deviating from the party's basic line. Therefore, we should firmly and unswervingly implement the party's basic line at all times and under all circumstances.

First, we should comprehensively and accurately understand and have a good grasp of the "one central task and two basic points." The party's basic line with "one central task and two basic points" as its major content is an organic whole. Under socialist conditions, our basic task is to focus on economic construction and greatly develop social productive forces. All our work and all departments should be subject to and serve economic construction, which is the central task, so as to facilitate the development of productive forces. To develop social productive forces, we should uphold the four cardinal principles, and adhere to reform and opening up. This is the fundamental sign of building socialism with Chinese characteristics. Without reform and opening up, the superiority of the socialist system cannot be fully developed, and without upholding the four cardinal principles, reform and opening up will go astray. In the past few years, our work in various fields, generally speaking, was carried out by focusing on the party's basic line. However, in the process of developing the socialist

commodity economy, we lacked full emancipation of our minds and an adequate enterprising spirit and, in the practice of reform and opening up, failed to fully estimate the serious influence of and effectively resist the ideological trend of bourgeois liberalization; and in carrying out economic work, we neglected effective macroeconomic regulation and control when paying attention to microeconomic flexibility. Practice enabled us to understand profoundly that we should uphold materialist dialectics and oppose metaphysics if we are to comprehensively and accurately understand and implement the party's basic line. In the process of accomplishing socialist modernization, we should oppose ossified ideas, continuously emancipate our minds, unswervingly conduct reform and opening up and facilitate the development of productive forces on the one hand, and remain clear-headed, oppose bourgeois liberalization, and always uphold socialist orientation on the other hand. While developing the various sectors of the economy, we should maintain the predominance of public ownership and strive to consolidate the socialist economic foundation; while establishing and cultivating the socialist market system, we should strengthen macroeconomic regulation and control to combine the planned economy with market regulation; while practicing various forms of distribution, we should adhere to the principle of taking distribution according to work as the major form and guard against and correct unfair distribution in society; while opening to the outside world, we should always remain highly vigilant against the conspiracy of "peaceful evolution" and resist the corrosion of corrupt ideas; and while greatly stepping up building of the material civilization, we should attach great importance to the building of socialist spiritual civilization and adhere to the principle of "attending to these two fields of work simultaneously" to ensure that the modernization program advances along a correct direction.

Second, we should adhere to the ideological line of seeking truth from facts and proceeding from reality in doing everything. When thinking over issues and performing work, we should consider objective effects and our actual capacity, and achieve unity between motives and effects, and between necessity and possibility. This is the prerequisite for implementing the party's basic line and ensuring success in various work. When implementing the principles and policies of the party Central Committee, we must proceed from reality, refrain from mechanically acting according to what books say and copying what higher levels do, avoid empty talk and carry out work in a creative manner. In the past few years, we have gradually enhanced our understanding of the provincial conditions but the provincial conditions are also changing. Therefore, our understanding should also be enhanced continuously. We should particularly conduct in-depth study of the important provincial conditions that affect the entire situation. As far as the economic work is concerned, we should particularly study the following issues: 1) We should correctly handle

the relationship between heavy industry and other industries. A larger proportion of heavy industry is a notable characteristic of our province's economy. We should have a correct understanding concerning whether this is an advantage or a disadvantage. When economic development encounters temporary difficulties, some comrades often regard it as a disadvantage and even as a burden. Such understanding is evidently lopsided. It is true that there are some unfavorable factors in the structure of heavy industry such as high energy consumption and slow circulation of funds. However, there are also some favorable factors such as strong technical force and rich raw materials available for bringing along the development of other industries. This is precisely the major superiority of Liaoning Province. As long as we fully use these favorable factors, make overall planning and arrangements, persist in comprehensively developing both the light and heavy industries, and prevent onesidedness, it is possible to accelerate the process of modernization in Liaoning. 2) We should correctly handle the relationship between transforming old enterprises and developing burgeoning industries. The technologies and installations of most enterprises in our province are old. This is a prominent contradiction in economic development. However, old enterprises are also an important support and basis for invigorating Liaoning. Our principle should be: Proceeding the work from accelerating transformation of old enterprises, relying on old enterprises to import, absorb, and digest advanced technology and equipment, and converting old enterprises into ones with modernized science and technology. Meanwhile, we should develop burgeoning industries and integrate transformation with development. This is a shortcut for accelerating our province's economic development. 3) We should correctly handle the relationship between the part and the whole. Our province is an important raw material base of the country. The greater proportion of mandatory plans, the heavy financial delivery task, the high proportion of contract grain purchase, and the implementation of the double-track pricing system have brought great pressure on enterprises, financial departments, and economic development. In this connection, we must study conscientiously, accelerate the establishment of the system which combines planned economy with market regulation through in-depth reforms, and try to learn how to manage things and solve problems in line with the law of value. Meanwhile, we should also clearly understand that this is required by the overall situation of building the country. We should not just stress partial interests and passively adopt a wait-and-see attitude or rely on state support. Instead, we should keep our eyes inward, tap potential, successfully manage Liaoning's affairs, and make greater contributions to the country. In the province, we should fully display the enthusiasm of all localities and various trades, properly handle the relationship between the province and cities enjoying administrative power in economic and investment planning, and between all localities and various trades and should display the superiority of the province. 4) We should correctly handle the relationship between the

foundation and dominant role. The bigger the proportion of industry we have the more effort we should exert to strengthen the agricultural foundation and to accelerate the pace of agricultural development. Our province has a big urban population and very little cultivated land. This has determined the specially important status of agriculture, grain production in particular, in Liaoning's economic development. We once failed to fully understand this point. When reaping a good harvest by relying on natural conditions, we mistakenly held that we had sufficient grain and thus we slackened our efforts in agriculture. As a result, we did not have enough grain when we came across natural disasters. This lesson should be firmly remembered. We should not shake the foundational status of agriculture at any time. We should unceasingly strengthen the supporting role of agriculture in industry. 5) We should correctly handle the relationship between large and medium-sized key enterprises and medium-sized, small, and collective enterprises. Our province has 900-odd large and medium-sized key enterprises, playing an important role in national economic development. So, we must grasp them well. However, we should also recognize that medium-sized, small, and collective enterprises are great in number, having a big labor and employment capacity. Most of their products are closely related to the people's livelihood. The situation of these enterprises, whether good or bad, directly affects market supply, social stability, and the even and coordinated economic development of the whole province. The practice of using the conditions of large and medium-sized key enterprises to develop local medium-sized, small, and collective enterprises, and successfully serving large and medium-sized key enterprises through the development of medium-size, small, and collective enterprises is determined by Liaoning's distinctive economic features. In this connection, while giving emphasis to grasping large and medium-sized key enterprises, we should also pay full attention to the development of medium-sized, small, collective, and township enterprises. In addition, we should also pay attention to developing the individual and private economies, and should display their supplementary role in the socialist economy.

Third, we should inherit and carry forward the party's fine tradition of maintaining close ties with the masses. The process of accomplishing socialist modernization is a process of the great practice of the masses, during which nothing can be accomplished without the wide support and active participation of the masses. Ours is a party in power, and many party-member cadres hold some power. In the new situation of reform and opening up, some party-member cadres relaxed the demands on themselves, and developed the tendencies of bureaucracy, subjectivism, and formalism to divorce themselves from the masses. A small number of them even abused power for selfish gains, manipulated power for extortion, and engaged in embezzlement and bribe-taking. These negative and corrupt phenomena seriously undermined the flesh-and-blood ties between the party and the masses. We must fully estimate the seriousness

of this problem, and take the initiative in inheriting and carrying forward the party's fine tradition of maintaining close ties with the masses. We should adhere to the party's mass line. Beginning with education, we should intensify it to improve the political quality of party members, firmly embrace the materialist conception of history that the masses are creators of history, learn from the masses modestly, serve the people wholeheartedly, and always guard against the tendency of divorcing ourselves from the masses. We should firmly embrace the idea that our power is entrusted by the people, take the initiative in successfully holding and using the power under the supervision of the masses, strictly abide by party discipline, and always guard against the tendency of abusing power for selfish gains and wanton use of power. We should firmly embrace the idea that being responsible to the party is consistent with being responsible to the people, follow the mass line when formulating and implementing all policy decisions, fully embody the desire and fundamental interests of the masses, and always guard against the tendencies of subjectivism and bureaucracy. We should firmly embrace the idea of trusting and relying on the masses on the one hand and educating and leading them on the other, fully boost their enthusiasm and creativity, and always guard against domination and the tendency of accommodating and pandering to backward ideas. Leading cadres at various levels should properly handle the relationship between public servants and masters, between students and teachers and between people who execute power and those who entrust power, straighten out their own position, and take the initiative in working wholeheartedly for the causes of the people.

Fourth, we should concentrate our attention on party building, and adhere to the principle of managing the party strictly. In the new situation, whether or not we should uphold party leadership, whether or not we should uphold the party's nature as a vanguard of the working class, and whether or not we should uphold the principle of managing the party strictly were conspicuous questions on party building we encountered in the past few years. We should say that we did have clear guiding ideology for party building, and we did also resist and wage struggles against some erroneous ideas. Due to the influence of the idea of weakening party leadership, however, our efforts in party building were stepped up at one time and slackened at another, and the phenomena in which party leadership was weakened, requirements on party members were lowered and management of the party was not strict appeared for some time, affecting the full development of the party's combat strength. Practice enabled us to understand that we should correctly handle the relationship between the endeavor of strengthening party building and that of taking economic construction as the central task, focus party building firmly on economic construction, which is the central task, and never neglect party building and shake and weaken the party's leading position and role no matter how the situation and tasks change; and that we should concentrate our attention on party building

and always adhere to the principle of managing the party strictly if we are to uphold party leadership so that the party will maintain a high degree of purity and unity in politics, ideology, organization, and work styles. To strengthen party building, we should maintain the party's nature as a vanguard of the working class and resolutely resist the tendency of negating the party's class foundation; should continuously arm all party members with communist ideals, persist in the purpose of serving the people wholeheartedly, prevent the principle of commodity exchange from intruding into the inner-party political life, and always keep the party advanced; and should strictly enforce party discipline, resolutely overcome the phenomena of being weak and lax, and continuously improve the party's combat strength.

2. Basic Tasks and Strategic Goals in the Coming Five Years

Fellow comrades, we have already successfully fulfilled the historical task of doubling the gross national product. The coming five years is a critical period for economic construction and the development of all undertakings in Liaoning. In view of the current situation at home and abroad, we can see that we are not only full of hope but also confronted with rigorous challenges. Some new changes have taken place in the current world situation, which have imposed many new circumstances and problems on us, not only adding difficulties for us but also providing us with opportunities. Within our country, after quelling the political storm which happened at the turn of spring and summer last year, political, economic, and social situations have been stabilized; the leadership collective of the party Central Committee, with Comrade Jiang Zemin as its nucleus, has garnered the heartfelt support of the people throughout the country; and the cohesive force, appeal, and fighting strength of party organizations have been stepped up obviously. Through the decade of reform and opening-up, the province's national economy and social undertakings have witnessed great progress. All of these have provided a favorable condition for the province's modernization drive in the future. It should be clearly noted, however, that the "peaceful evolution" activity of the international hostile forces is rapidly proceeding, and the antagonism and struggle between the two kinds of social systems and ideological structures will last for a long period of time and will be complicated. Within the country, many contradictions and problems remain in the economic sphere; and some factors causing instability remain in the social life. It should be particularly noted that at the moment the new technological revolution is rising vigorously in the world, and the economy is developing swiftly and violently in some coastal provinces of our country, thus setting new demands on the development of Liaoning, an old industrial base. We must correctly understand the current situation, strengthen our sense of urgency, enhance our spirit, and work in unity to overcome difficulties and advance continuously.

In the coming five years, our basic tasks are: Continue to implement the party's basic line in a firm and unswerving manner, actually strengthen and improve party leadership, unite and depend on the people of all nationalities in the province to consolidate and develop the political situation of stability and unity, work arduously to deepen reform and accelerate opening-up through our own efforts, concentrate our energies on developing and building Liaodong Peninsula, bring along the renovation of the old industrial base and the development of the eastern, western, and northern parts of Liaoning, promote provincial economic invigoration, work hard for the quadrupling of the gross national product ahead of schedule, work arduously for laying a sound foundation for making the people become relatively well-off, and work hard for the long-term stable development of the province's politics, economy, and society.

Accelerating the development and construction of Liaodong Peninsula is a fundamental and strategic measure to invigorate Liaoning Province. Liaodong Peninsula is the economic, technological, and cultural center of our province, as well as the lifeblood of Liaoning's economy, thus having a relatively strong appeal and competitiveness at home and abroad. Only by accelerating the development and construction of Liaodong Peninsula can the province rapidly attract domestic and foreign investments, master and apply advanced technologies, strengthen its influence on other localities, and promote the development of the provincial economy as a whole. For this reason, in the coming five years, we should concentrate our energies on comprehensively promoting the opening-up of Liaodong Peninsula; should build, as rapidly as possible, Liaodong Peninsula into a place where the economy is developed, science and technology is advanced, and culture is brisk so as to make Liaodong Peninsula able to play a still greater role in conducting economic, trade, technological, banking, and cultural exchanges with foreign countries. This is a glorious historical task of party organizations at all levels as well as the vast number of party members and the masses throughout the province.

In the coming five years, our major goals are:

We should fulfill the Eighth Five-Year Plan in a comprehensive manner. The gross national product should show a yearly average increase of five to six percent and the national income, about five percent. We should enhance the comprehensive agricultural production capacity, and strive to embark on a new stage in grain output, stabilizing the grain output at about 15 million tons at the end of the Eighth Five-Year Plan period. Under the prerequisite of constantly increasing economic efficiency, the total industrial output value should register a yearly average increase of six to seven percent. We should accelerate the technological transformation of old enterprises, build the rising industries, and enable the major technological and economic targets as well as the management and operation expertise of some key enterprises to reach the international level in the 1980's.

We should do a good job in improvement, rectification, and deepening of reform. Efforts should be made to fulfill the improvement and rectification task, rationalize industrial structure and product mix, and remarkably improve economic order, economic climate, and the relationship between social supply and demand. We should consider invigorating the urban and rural economies as an emphasis, further deepen reforms, improve the system of macroeconomic regulation and control, explore and establish an operational mechanism marked by a combination of the planned economy with market regulation, and promote a sustained, steady, and coordinated national economic development. Under the unified state plan, we should take active and reliable steps to promote political structural reform.

We should comprehensively promote the opening up of Liaodong Peninsula and make the development of the export-oriented economy more specific on a larger scale and a higher level, and with more beneficial results. We should expand and accelerate the building of open zones and new economic zones and achieve fairly big breakthroughs in creating foreign exchange through export and in developing economic and technological cooperation.

We should strengthen the building of socialist spiritual civilization. Priority should be given to developing educational, scientific, and technological undertakings and raising the quality of laborers. Continued efforts should be made to grasp family planning work, bring the natural population growth rate below 11 per thousand, deeply conduct education on patriotism, socialism, and collectivism, and strive to form a civilized and healthy general mood of society where all people are making active efforts to forge ahead.

We should further strengthen the building of democracy and the legal system. Efforts should be made to strengthen the democratic ideology and the sense of the legal system among all the people, to uphold and perfect the system of people's congresses and the system of multiparty cooperation and political consultation under the leadership of the CPC, to expand the channel of democratic participation and supervision for the masses of people, to continue to strengthen the people's democratic dictatorship, and to achieve remarkable results in comprehensively improving public security.

We should greatly enhance the people's living standards. The average per-capita income of the urban and rural people should be steadily increased, and the supply of products essential for the people's lives should be greatly improved. The housing conditions for urban residents should be more perfect and the income of people living in poverty-stricken areas should attain the level of medium-developed areas in the province.

We should raise party building to a new level. The party's leading status should be further consolidated and the fighting-bastion role of grass-roots party organizations as well as the vanguard and exemplary role of party

members should be fully displayed. It is necessary to further strengthen ideological and political work and achieve new success in building party style.

3. Firmly and Realistically Carrying Out Reform and Opening Up and Promoting Sustained, Steady, and Coordinated National Economic Development

In the next five years, we should focus our work on economic construction, continue to deepen reforms, expand opening up, actively promote the development of the socialist planned commodity economy, gradually establish a management system and operational mechanism marked by a combination of the planned economy with market regulation, and guarantee that the national economy will be channeled to a path of long-term, sustained, steady, and coordinated development.

A. We should successfully carry out improvement, rectification, and deepening of reform and accelerate technological revamping.

We should fulfill the improvement and rectification tasks. Our province's improvement and rectification work has witnessed initial success. However, the in-depth problems accumulated during the past few years, such as the unbalanced structure, poor enterprise quality and bad economic results, have not yet been fundamentally solved. In this connection, we must firmly grasp the four links of readjusting the structure, controlling supply and demand, opening up markets and raising economic results, and make continued efforts in improvement and rectification work. During the economic improvement and rectification, we should continue to control the scope of the investment in fixed assets on the one hand, and ensure key industries, key construction projects, urban infrastructural facilities closely related to people's life and housing construction, and increase the supply of essential products on the other hand; should adhere to the principle of retrenchment in finance and money supply to check inflation on the one hand, and adopt the measure of properly regulating the extent of the retrenchment for easing the current contradictions in order to prevent an economic downturn on the other hand; should oppose unduly high levels of spending on the one hand, and guide and encourage proper consumption on the other hand; and should rectify the economic order mainly in the circulation field on the one hand, and greatly invigorate circulation, open up both domestic and foreign markets, and actively expand commodity sales on the other hand.

During the economic improvement and rectification, we should give particular attention to adjustment of the structure, which is the focal point. We should strengthen such basic industries as agriculture, energy, transportation, telecommunications, and important raw materials, and the construction of infrastructural facilities, and make them basically compatible with the favorable development of the economy as a whole and the endeavor for further opening to the outside world. Among major industrial branches, we should develop

petrochemical, machinery, and electronic industries on a priority basis, technically transform the metallurgical industry to upgrade its level, accelerate the development of light and textile industries and, at the same time, greatly develop high-tech and new-tech industries in various fields. In this way, we should gradually establish a new-style economic structure where various industries develop in a balanced manner, the disposition of the major elements for production is rational, and economic results improve notably.

We should continue to deepen reform. We should further emancipate our minds, brave our way forward, boldly conduct exploration, and focus reform and opening up on the strategic goal of economic development so that reform can be linked closely to economic and social development and be deepened continuously. At present, the focal point of reform is to stabilize and improve the various reform measures already in practice and, based on this, actively conduct exploration on the supporting systems for the socialist planned commodity economic system as a whole.

Invigorating enterprises, especially large and medium-sized ones, remains the central link in the reform of our province's economic structure. We should continue to delegate decisionmaking power to enterprises, and persist in and improve the director (manager) responsibility system, the contracted managerial responsibility system, and the various supporting reforms within enterprises. We should strengthen enterprise management, step up fundamental work, strive to improve the quality of enterprises, and enhance their ability for development and competition. We should establish and improve the self-regulating mechanism in enterprises so that they can overcome myopic behaviors.

We should adjust the organizational structure of enterprises, actively develop lateral cooperation, and facilitate the rational flow and optimum combination of the major elements for production. We should strive to create conditions for facilitating the development of enterprise associations in a planned and orderly manner, establish a number of enterprise groups with manufacturers of brand-name and high-quality products placed in the lead and large and medium-sized enterprises placed in the core, and make these enterprise groups the focus of investment and technological development, and form communities of interests which stand together through thick and thin. Urban and rural collective enterprises should extensively popularize the shareholding system, and greatly develop cooperative economic organizations.

We should continue the reforms in the planning, commodity price, financial, banking, and labor and personnel systems as long as they are conducive to the development of the socialist commodity economy, improve and strengthen the macroeconomic regulating and controlling system, and strengthen the role of economic levers in regulating and controlling the operation of the economy. We should promote the formation and

development of the socialist market. We should establish and improve the social security system and develop social insurance businesses.

We should accelerate the technological transformation of enterprises. The period covered by the Eighth Five-Year Plan is a critical period as well as a favorable opportunity to renovate old enterprises. During the coming five to ten years, we should orient the province's major trades and key enterprises to a foundation of modernized technology; and should basically change the situation in which techniques, technologies, and equipment are backward, quality and grade of products are low, economic efficiency is poor, and competitive capacity is weak. This is our major fighting goal. We should regard the renovation of old enterprises as the key link of economic invigoration and as the focal point of importing and drawing foreign funds, advanced technologies, talents, and advanced managerial experiences. We should also make overall plans for the renovation of old enterprises, and carry out these plans in a step-by-step manner, focusing on existing old enterprises, and "grafting" advanced technologies and equipment or implementing cooperative production and joint venture management as the major method. We should formulate policies, which are conducive to encouraging and supporting technological transformation, in order to mobilize the initiative in all fields and accelerate the pace of technological transformation.

We should make great efforts to improve economic efficiency, and maintain appropriate growth of the economy. At present, the province's industrial production is picking up slowly, market sales are in a slump, economic efficiency is declining, and the economic situation remains very grim. Failing to change such a situation will not only affect the fulfillment of this year's plans, but also restrict economic development in the future. Hence, we must fully understand the harmfulness and urgency of this problem. Party committees and governments at all levels should seek unity of thinking, enhance spirit, strengthen leadership, be meticulous in organization, make great efforts to tap internal potential, further invigorate market and circulation of funds, try every possible means to boost industrial production, and try to step out of the low tide and reverse the difficult situation as quickly as possible. We should correctly handle relations between economic rectification and economic development, should strive to improve technological and managerial levels in adherence to the principle of focusing on improving economic efficiency, should exert efforts in improving the quality and competitiveness of products, should develop from extensive management to intensive management, and should maintain an appropriate growth of the provincial economy as a whole.

B. We should promote the overall opening of Liaodong Peninsula, and accelerate the export-oriented economic construction.

We must seize this opportunity, work on our own initiative, and strive to achieve success in opening Liaodong Peninsula to the outside world with a sense of opening still wider and through even more sound work. We should strive to, as quickly as possible, set up a new pattern in which the coastal cities group, with Dalian as its leader, is coordinated with the central cities group, with Shenyang as its center. We should also build up the new economic circle along the Shenyang-Dalian Highway as quickly as possible.

In speeding up the development and construction of Liaodong Peninsula, we must give prominence to key projects, and make full use of our favorable conditions. First, Dalian should accelerate and expand the pace of opening-up, and strive to improve the level. Dalian should further expand the construction of the developmental zones, strive to rapidly set up an economic zone with a high content of technology, with a strong ability to earn foreign exchange, and with the rising industries as the main body. Dalian should also gradually develop itself towards the direction of being a free trade area. Second, other coastal cities should make a breakthrough in opening themselves to the outside world. The construction of the Yingkou New Port Economic Zone should begin to take shape. Dandong and Jinzhou ports should also become showcases directly opening to the outside world. Third, central cities group should make full use of the advantages of the Shenyang-Dalian Highway to link themselves and cooperate with various other ports, take an active part in the international economic exchanges and competition, draw funds and technologies from foreign countries, and increase export to earn more foreign exchange. We should build up the Shenyang Zhangshi export processing zone as soon as possible, and speed up the renovation of old enterprises in Tiexi area. In opening to the outside world, we should make full use of the province's advantages of having numerous large and medium-sized enterprises, push onto the world market those large and medium-sized enterprises which have conditions to do so, and enable these enterprises to become the main force of opening to the outside world. At the same time, we should support town and township enterprises, and enhance these enterprises' capacity of earning foreign exchange through export and drawing foreign funds. We should readjust the province's mixture of export products, and should raise the export proportion of machinery and electronics products and the products with a high added value from technology. We should rapidly shift the focus of the province's export to machinery, electronics, chemical industrial, light and textile, and building materials products, and strive to expand our products' coverage on the world market. We should energetically open up the international labor service market, develop international tourism, and improve our capacity to earn foreign exchange.

We should actively bring in and use foreign capital. The emphases are: First, carrying out technological revamping in some old enterprises; second, establishing

a number of new joint, cooperative and solely foreign-funded enterprises, developing cooperation with some large companies that have certain international influence in particular, and running large joint, cooperative and solely foreign-funded enterprises with great momentum for national economic development; third, diverting foreign capital into basic industries such as energy and communications industries, and high technology industries, and turning foreign-funded enterprises from labor intensive and primary product processing enterprises into knowledge intensive and high new technology enterprises.

We should further improve the investment climate in Liaodong peninsula. Continued efforts should be made to enhance all people's ideology of opening to the outside world, understand the provincial, national, and world situations, and strengthen open policy consulting and study organs. It is necessary to actively strengthen external conditions, stabilize, and perfect the open policy, establish and improve the systems of serving foreign businessmen and exports, raise work efficiency and service quality, know how to manage things in line with international practices, continue to strengthen external conditions for urban communications, telecommunications, and infrastructural facilities, and promote the development of an export-oriented economy.

C. We should realistically strengthen agriculture and lay a solid foundation for stable economic development throughout the province.

Agriculture is our country's economic foundation and grain is the most important aspect of the foundation. We should firmly foster the strategic ideology of taking agriculture as the foundation from the perspective of ensuring people's livelihood and promoting a stable economic development, and further channel our work to the path of taking agriculture as the foundation. In line with different situations in Liaohé Plain and the eastern and western areas, we should make overall plans and arrangements, display superiority in line with local conditions, and carry out a series of development projects. It is necessary to implement the policy of giving greater emphasis to agriculture in terms of manpower, and material and financial resources, and ensure that the rural economy, particularly grain production, will steadily increase.

To strengthen agriculture, we must uphold and stabilize all rural basic economic policies, further stabilize and perfect the household output-related contract responsibility system, improve the centralized and decentralized management system, establish and strengthen the socialized service system and strive to develop and expand the collective economy. We should proceed from reality, raise the level of farm mechanization and intensive farming, and unceasingly raise the economic results from large-scale production. Continued efforts should be made to readjust the rural production set-up, unswervingly place township enterprises in an important position in rural economic development, stabilize and

improve policies concerned, adopt effective measures, actively support the development of township enterprises, improve their structure, raise their level, and give better play to their role as the economic pillar of the rural economy. It is necessary to actively coordinate the efforts of the urban and rural areas, make unified planning and give unified management and guidance in line with the principle of using the urban areas to promote the rural areas and combining urban and rural efforts, mobilize and organize the strength of all trades and professions to actively support agriculture, and promote coordinated economic development in the urban and rural areas through adopting such techniques as spreading technology and products to other localities, developing joint operational business, exchanging personnel, and helping counterparts. Continued efforts should be made to reform the rural commodity circulation system and actively build up and develop the rural market system.

To strengthen agriculture, we must do a good job in comprehensive development. Considering the increase in the production of grain, oil-bearing crops, and major nonstaple foods as our target, we should promote comprehensive development in agriculture, forestry, animal husbandry, related occupations, and fishery. On the basis of making overall plans, we should emphasize transforming medium and low-yield fields, raising the per-unit area yield, and enhancing our ability to combat disasters, successfully carry out comprehensive agricultural development projects, and further raise the utilization rate of agricultural resources, the output rate, and the commodity rate. We should make strenuous efforts to strengthen the building of commodity grain bases, do a good job in the comprehensive development of Liaohé Plain, the building of major fields in the western areas and the transformation of cold waterlogged fields, and strive to work several years to turn more than one-third of our province's cultivated land into fields with a stable, high yield. We should fully use ocean resources, continue to carry out sea-water fish farming and develop beaches and shallow water areas, vigorously develop a diversified economy, further grasp the projects related to grain and vegetable production, and expand the production of agricultural and related products.

To strengthen agriculture, we must strengthen the capital construction of water conservancy works, focusing on promoting ecological construction, in order to gradually improve conditions for agricultural production. We should appropriately handle the relationship between the immediate interest and the long-term interest, closely integrate the construction of water conservancy works with the ecological construction, and accelerate the construction of the water conservation forest and the timber forest bases in eastern mountain areas and the construction of the shelter-forest system in the northwestern areas. We should speed up the pace of making Liaoning green, really protect cultivated land and water resources, strive to create a good ecological environment, and resolutely check the cases of indiscriminately using and

wasting land. We should continue to grasp the development and construction of the eastern, western, and northern areas of Liaoning; should strive to fulfill the task of extricating these areas from poverty in two or three years, and should enable these areas to gradually adapt themselves to the economic development of coastal and central areas of Liaoning.

To strengthen agriculture, we must continue to increase investment in agriculture. We should fully mobilize the initiative of the state, collectives, and the masses of peasants; should set up a rational structure of agricultural investment; should establish and strengthen the agricultural investment mechanism which is full of life and vigor; and should establish a corresponding managerial system so as to make rational use of agricultural funds and improve investment returns. We should resolutely check unjustified financial levies, and reduce the burdens of the peasants.

D. We should persist in the strategic principle of "invigorating Liaoning through science and technology," and orient economic development to the orbit of depending on scientific and technological progress.

We should fully understand that making scientific and technological progress is extremely important to invigorating Liaoning, and should consciously place science and technology on a strategic position of development on a priority basis.

In doing scientific and technological work, we should regard the speeding up of economic construction as our goal, should energetically promote the application of applicable technologies; should vigorously develop new, high level technologies; and should comprehensively enhance the technological level of agricultural production. By laying emphasis on readjusting structure and improving economic efficiency, we should strengthen development, application, and research of technologies, and should rapidly apply scientific and technological research achievements to production. Within three years, we should fulfill the "programs of the initial plans for invigorating Liaoning through science and technology;" and within five years, we should comprehensively fulfill the plans on scientific and technological joint research projects assigned by the state to the province during the eighth Five-Year Plan period and the provincial-level scientific and technological joint research and development projects. We should pay attention to the project of "invigorating agriculture through science and technology," and establish and strengthen the popularization and service system as well as the leadership and management system for agricultural science and technology. With the focus on scientific and technological departments, we should comprehensively carry out contracting among various groups in order to spread science and technology and improve the level of agricultural production. We should pay attention to "invigorating enterprises through science and technology," positively spread and apply new technologies, rapidly renovate traditional industries, and penetratingly launch the

activity of building enterprises which are advanced scientifically and technologically. We should establish and strengthen the guarantee system for enterprises' scientific and technological progress, and help enterprises establish a mechanism of depending on scientific and technological progress to operate. We should establish an investment mechanism which promotes scientific and technological progress, raise scientific and technological funds through various channels, and ensure that the increase in scientific and technological investment is higher than that in the gross national product. We should formulate correct policies to encourage and guide the vast number of scientific and technological personnel to make contributions in the practice of "invigorating Liaoning through science and technology;" and should extensively launch the mass technological coordination activity in order to constantly push forward scientific and technological progress.

4. Strengthen the Building of Socialist Spiritual Civilization and the Democratic Legal System, Consolidate and Develop the Political Situation of Stability and Unity

Our goals are not only to develop the economy steadily, but also to improve the ideological and cultural expertise of the people throughout the province, strengthen and perfect the socialist democracy and legal system, and realize the comprehensive development and progress of the society.

A. We should strengthen the building of the socialist spiritual civilization.

Successfully building the socialist spiritual civilization, fostering citizens with lofty ideals, moral integrity, cultural accomplishments, and a sense of discipline, and improving the people's ideological, moral, scientific, and cultural expertise are an important part of the political, economic, and social development strategy. In line with the new changes which have taken place in the international situation over the past 10 years, particularly since the political storm last year, we should conscientiously summarize and carry forward the existing successful experience; should profoundly draw a lesson from the mistake of paying more attention to building material civilization but less to building spiritual civilization; should further understand the position, role, and task of the building of the socialist spiritual civilization; should firmly embrace the guiding ideology of simultaneously grasping the two civilizations; and should make the socialist spiritual civilization provide, in a still better manner, spiritual strength, intellectual support, and ideological guarantee for the building of material civilization.

We should strengthen and improve the party's leadership over the ideological and cultural front. The ideological and cultural front must attach primary importance to a firm and correct political orientation, always uphold the four cardinal principles and oppose bourgeois liberalization. The press, publication, radio, television, cultural, and art fronts should adhere to the orientation of

serving the people and socialism. The press and mass media fronts should fully display their role as the mouthpiece of the party, the government, and the people, uphold the party spirit and principles, adhere to the principle of considering positive publicity as the main aspect of our work, persist in correct media guidance, and serve the work of stabilizing the overall situation and promoting construction and reform. Continued efforts should be made to deeply and persistently launch a struggle against pornography and the six evils, and to strive to eliminate the influence of bourgeois liberalization and the bourgeois decadent ideology and culture. We should promote the outstanding culture and traditions of the Chinese people, build a socialist spiritual civilization that suits Liaoning's economic and social development and fully manifests the spirit of the times, actively invigorate literature, art, and social sciences and use healthy and useful spiritual products to enrich and activate people's ideological and cultural life and unceasingly satisfy the multilayered and diversified needs of various social sectors. In the production of spiritual products, we should persist in giving first thought to social benefits and should prevent the trend of "putting money above everything else."

We should fully display the superiority of ideological and political work. Ideological and political work is the lifeblood of economic work as well as all other fields of work and a reliable guarantee for implementing the party's basic line. Under the new historical conditions, it is of greater significance to strengthen and improve ideological and political work. In close connection with the reality of economic construction, reform, and opening up, we should continue to grasp education as the party's basic line, make the people firmly foster an ideology of taking economic construction as the central task, uphold the four cardinal principles, and unswervingly follow the road of reform and opening up. In ideological and political education, we must take Marxist as our guidance, persist in uniting its advanced nature with its extensive nature, and give simultaneous attention to fostering lofty ideals and fulfilling practical tasks. We should deeply conduct education in patriotism, socialism, and collectivism through various effective forms, conduct education on self-reliance, plain living and hard struggle, and continue to launch activities on learning from advanced models such as Lei Feng, Jiao Yule, Meng Thai, Han Yunna, and Zhang Zixiang. Plants and mining enterprises should do a good job in ideological and political work in close connection with their production and business activities, and prevent the trend of separating ideological and political work from production and business and the trend of simply paying attention to administrative order and material incentive at the expense of ideological and political work. It is necessary to conduct a systematic ideological-and-political education with the basic national conditions and the basic line as the main topics among all the workers, positively imbue them with Marxist-Leninism-Mao Zedong Thought, fundamentally raise the ideological and political qualities of the working

class, and enhance their sense of being masters of the country. The rural areas, on the basis of developing agriculture and implementing the existing policies, should conduct socialist ideological education among peasants, correctly handle the relationship between the immediate and long-term interests, the partial interests and those of the whole, and the individual interests and that of the country, and serve as socialist peasants of a new type who have consciousness and education, observe discipline and law and work hard to become prosperous.

In conducting ideological and political work, we should care for, cherish, and respect the people and treat them as equals. Through powerful ideological and political work, it is possible for us to bind the people throughout the province, improve the ideology of the people, properly handle the interpersonal relations of interests and the relations between the individual and collective and among all units and fully boost the enthusiasm of all sectors. Meanwhile, we should continue to attend to the mass spiritual civilization activities such as serving as advanced citizens, creating advanced units, building advanced cities and carrying out soldier joint activities, deeply conduct education on social morality and professional ethics, eliminate ignorant and backward customs and habits and foster civilized and healthy social practices. It is necessary to grasp the building of ranks of political work personnel and improve their ideological, political, and professional levels to meet the needs of the ideological and political work of the new period.

We should pay high attention to educational work, and actually place education on the strategic position of development on a priority basis. We should increase educational investment and improve conditions for running schools in a planned manner. We should incisively conduct educational reform, and readjust and optimize the educational structure. We should strengthen the building of the ranks of teachers, improve educational quality, and cultivate all levels and all kinds of talented people who are urgently needed by the modernization drive. We should energetically strengthen the basic education, and positively carry out and popularize the nine-year compulsory education system. We should strengthen vocational and technical education, and firmly grasp legislation for adult education. All levels and all kinds of schools should comprehensively implement the educational principles of gearing education to serving socialist construction, integrating education with production and labor service, and making students develop morally, intellectually, and physically; and should actually correct the tendency of neglecting moral education. We should continue to strengthen and improve ideological and political work of institutions of higher learning; should regard the education on modern history and the education on the national conditions as the emphasis of teaching, should guide young students to satisfactorily solve their ideological questions with regard to socialism, the CPC leadership, democracy, and freedom; and should teach the students to analyze and approach questions from the Marxist viewpoint.

Culture and art, press and publication, radio and television, public health and sports, and all other undertakings should develop along with the constant development of the economy. We should reform the cultural management system to improve management and operation, should promote the prosperity of cultural undertakings, and should gradually give rise to and constantly develop a concept of value, a cultural condition, and a positive and healthy social environment which facilitate the construction of the socialist modernization. We should strengthen the leadership over the family planning work, stabilize existing family planning policies, put population growth under control, and improve the quality of the health and lives of the people.

We should give full play to the role of intellectuals. As a part of the working class, intellectuals play an irreplaceable role in carrying out the socialist modernization. We should respect knowledge and talents, and gradually perfect those policies and systems which help intellectuals in showing themselves in order to fully exploit the initiative and creativity of intellectuals. We should continue to try our best to improve the working and living conditions of intellectuals. Towards intellectuals, young intellectuals in particular, we should not only show warm concern for them, and employ them boldly, but should also set strict demands on them, and help them define a correct political orientation and persist in the road of integrating themselves with peasants and workers. We should continue to implement the principles of letting a hundred flowers blossom and a hundred schools of thought contend, should advocate the contention of different schools of thought and different viewpoints of learning under the prerequisite of upholding the four cardinal principles, and should make great efforts to create a new atmosphere in which the people are encouraged to make exploration and blaze new trails.

B. We should continue to promote the building of socialist democracy and the legal system.

Building a high degree of socialist democracy and a perfect socialist system constitutes an important goal and task of the socialist modernization. The building of democracy and the legal system will be a long and step-by-step process. We must constantly strengthen and improve the building of democracy and the legal system in order to orient all items of our work to the orbit of democracy and the legal system.

The purpose of strengthening the building of democracy and the legal system is to ensure the political and economic stability of the state, to ensure that all policy decisions will manifest the fundamental interests of the overwhelming majority of the masses, and to enable the masses to exercise their rights according to law. To this end, we should strengthen the democratic system, broaden the democratic channels, maintain smooth and close ties between leading organs and the masses, and make the condition, the will, and feelings of the people transferable to leading organs in a timely manner. Whenever deciding matters relating to major principles and

policies, leading organs should carry forward democracy, solicit opinions from all sides, and subject themselves to the supervision of the masses. Party committees at all levels should strengthen leadership over the work of the people's congresses and the Chinese People's Political Consultative Conference Committees.

We should uphold and perfect the system of holding people's congresses, support the people's congresses to exercise their functions entrusted to them by the Constitution and law, and strengthen legal and work supervision over the "government, the people's court and the people's procuratorate." Continued efforts should be made to strengthen the legislative work of the localities and provide a legal guarantee for all construction undertakings and for consolidating and developing a stable and united political situation. All important policy decisions formulated by the party committees, if they fall within the jurisdiction of the people's congresses and their standing committees, should go through the legal procedures of the people's congresses or their standing committees and be translated into the will of the country. It is necessary to fully display the role of deputies. Deputies who are communist party members should take the lead in implementing the party's principles and policies and serve as models in establishing ties with the masses. We should pay attention to building grass-roots political power and mass autonomous organizations in an effort to guarantee that all principles and policies of the party and the country and all tasks will be implemented in places where needed.

The united front is an important component of the party's general line and policies. We should fully understand the importance, necessity, and protracted nature of the united front. Without the most extensive patriotic united front which embraces a majority of people, building socialism with Chinese characteristics, realizing the great cause of the reunification of the motherland and the regeneration of China, frustrating the schemes of subversion, infiltration, and "peaceful evolution" of the domestic and foreign hostile forces will be out of the question. We should hold aloft the banner of patriotism and socialism, unite with all the forces that can be united, and serve the work of consolidating and developing a stable and united situation in the province and of promoting socialist modernization construction, reform, and opening up. Continued efforts should be made to uphold and perfect the system of multiparty cooperation and political consultation under the leadership of the CPC, conscientiously implement the principle of "long-term coexistence and mutual supervision, treating each other with all sincerity and sharing weal and woe," fully display the role of the Chinese People's Political Consultative Conference [CPPCC] and all democratic parties in the country's political life and actively provide necessary conditions for them to participate in the discussion of political affairs and to give democratic supervision. Party leading cadres at all levels should make friends with nonparty persons, repose full confidence in them and treat them frankly and sincerely. It is necessary to

report all major problems and policy decisions involving the overall situation to the CPPCC, democratic parties, the Federation of Industrial and Commercial and non-party personages for consultation and discussion, pay attention to their opinions and suggestions, and gradually regularize, standardize, and systematize the practice of handling things through consultation and making democratic policy decisions. We should pay great attention to the work related to minority nationalities, Overseas Chinese affairs, religions, and work on Taiwan, mobilize all positive factors, and contribute to socialist modernization construction.

Party organizations at all levels should realistically strengthen leadership over the building of the legal system, extensively and deeply carry out education on popularizing legal knowledge, and further enhance the sense of law and the legal knowledge level of the whole society. We should persist in observing the laws, strictly enforcing them, and ensuring that law-breakers are duly punished, and should resolutely safeguard the sanctity of the socialist legal system. All party organizations and party members should take the lead in studying and applying laws, serve as models in observing law, and consciously struggle against all law-breaking acts. We should support the judicial organs to exercise their duties and responsibilities in line with the law, continue to strengthen the functions of the dictatorship of the state apparatus, promptly smash the subversive and sabotaged activities of the domestic and foreign hostile forces, and resolutely strike hard at all sorts of criminals who harm social security. Meanwhile, we should do a good job in building the ranks of public security personnel, and enable them to enforce law justly and in a civilized manner, and to correctly exercise their duties. We should mobilize the strength of the whole party and society, realistically grasp the comprehensive public security improvement work, stabilize social order, and further improve the general mood of society.

We should firmly embrace the basic guiding idea of serving the people wholeheartedly, and adhere to the principle of taking the working class as the leader and worker-peasant alliance as the foundation. Our province has a gigantic contingent of nearly 10 million industrial workers, who constitute the backbone force to stabilize the general situation and rejuvenate Liaoning. We should respect the status of the working class as the master, and truly develop the enthusiasm and creativity of the working class in reform, opening up and various construction undertakings. We should strengthen and improve party leadership over trade unions, CYL, women's federations and other mass organizations, attach importance to and support their working independently according to laws and their respective rules and regulations, and give full play to their role in ideological and political education, and their role of democratic participation and democratic supervision in the administration of state and social affairs.

The unity between the Army and the Government and between soldiers and civilians is an important guarantee

for consolidating the stable and united political situation. We should continue to do a good job in supporting the Army and giving preferential treatment to families of revolutionary soldiers and martyrs, and establish throughout the province the social conduct of cherishing ardent love for, supporting and learning from the Liberation Army. We should strengthen party leadership over the people's armed forces work, enhance all the people's sense of national defense, succeed in improving the militia and reserve forces, and give full play to the role of militiamen and reserve service personnel as a vital new force in economic construction and the building of the spiritual civilization.

5. Stepping Up Improvement of the Party Itself, and Giving Full Play to the Party's Leading Role

The CPC is the leading core for the socialist modernization cause. To fulfill the glorious and yet arduous historical tasks for the next five years, the key lies in strengthening party leadership. The new situation and new tasks demand that our party become more mature in ideology, stronger in politics, more unified in thinking, more united in organization, stricter and more impartial in discipline enforcement, and closer in its ties with the masses. Only in this way can the party fully develop its leading role in the various socialist causes. Party organizations at various levels throughout the province must fully understand the extreme importance of the need to strengthen and improve party leadership, raise the awareness that the party should handle party affairs, and concentrate their attention on improving party building. The basic tasks for party building are to adhere to the Marxist principle for building the party, to uphold the party's nature as the vanguard of the working class, to persist in the principle of running the party strictly, to improve the party in ideology, organization and work styles with the focus on the party's basic line, to truly turn party organizations at various levels into a strong nucleus and fighting bastion leading the masses in accomplishing socialist modernization, and to truly turn the vast number of Communist Party members into leading fighters for socialist modernization.

A. We should achieve progress in ideology and theory, and raise the political quality of party members.

Building the party ideologically is an important Marxist principle for building the party, and the basic guarantee for our party to always maintain its nature as the vanguard of the working class and continuously enhance its combat strength. We should conduct systematic and in-depth education among all party members on the basic theory of Marxism-Leninism-Mao Zedong Thought, the party's basic line and the basic knowledge on the party. In the process of the education, we should always bear in mind the need to strengthen party spirit and, in line with the realities in construction, reform and the changes in the international situation, we should exert efforts to resolve the issue on the party's nature as the vanguard of the working class, the most basic and crucial issues on the ideals, faith and purposes of party

members, the issue on joining the party in terms of ideology, and the issue on standing the tests of power, reform, opening up, and opposition to "peaceful evolution." We should make party organizations at various levels and the vast number of party members clearly understand that in the new situation, we should uphold party leadership on the one hand, and continuously improve party leadership and greatly step up efforts to improve the party itself on the other hand; that in the situation of deepening reform and developing the socialist commodity economy, we should continue to update our ideas, emancipate our minds and brave the way forward on the one hand, and guard against the corrosion of the ideological trend of bourgeois liberalization and prevent the principle of commodity exchange from invading the party's political life on the other hand; that in the situation of opening to the outside world, we should import the positive achievements in the world civilization on the one hand, and guard against the influence of national nihilism and bourgeois corrupt ideas on the other hand; and that since great changes have taken place in the situation and tasks, we should continue to enhance the sense and improve the skill of holding the reins of the government on the one hand, and always guard against the development of bureaucracy and the tendency of abusing power for selfish gains and divorcing from the masses on the other hand.

Party organizations at all levels must strengthen leadership over the building of the party's ideological theories. They should formulate regulations on education among party members, and should schedule about five years to conduct systematic education among party-member leading cadres at or above the county level, in line with the demand that party-member cadres must be loyal to Marxism. By studying Marxist theory on party building, party-member leading cadres should study Marxist philosophy, political economy, and scientific socialism, and should study Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics with a view to maintaining political steadfastness and keen political insight, and to actually correcting the tendency that some leading cadres relax their efforts to study theories and neglect politics. In the meantime, party organizations at all levels should pay attention to training ordinary party members, with emphasis on education among young party-member cadres. They should list the Marxist theoretical accomplishment of party-member leading cadres as input on their appraisals, and as an important basis for promotions and employment. They should make great efforts to build a Marxist theoretical contingent, and should strengthen the building of party schools at all levels so as to give full play to the important role of party schools in conducting ideological and theoretical building and training cadres.

B. We should strengthen the building of leading bodies, and should ensure that leadership at all levels is in the hands of those who are loyal to Marxism.

Whether or not the party and the state leadership can be grasped in the hands of those who are loyal to Marxism

has a bearing on the future and destiny of our party and our country. Party organizations at all levels throughout the province must adopt effective measures to strengthen the building of leading bodies at all levels and to tackle the issue concerning successors to our cause, from the high plane of strategy.

We should comprehensively persist in the principle of building up the ranks of cadres who are more revolutionary, younger, better educated, and professionally more competent. In selecting, employing, and educating cadres, we should always give top priority to revolutionization, and appraise cadres according to their political stand, ideological character, leadership expertise, and work performance. We must build a strict cadre appraisal system, and strengthen and readjust leading bodies through appraisal and regular examination because of the prerequisite of maintaining relative stability. Those comrades who are steadfast in their political stand, strong in party spirit, and emancipated in their minds, who have received a relatively high education, who are competent in organization and leadership, and who are in the prime of life, should be promoted to leading posts at all levels in a timely manner. Toward those comrades who lack experience in practical work but have great potential for training, conditions should be created for them to temper themselves at the grassroots units. Those who stick to the stand and viewpoint of bourgeois liberalization, who are fence-sitters about major issues of right and wrong, who harbor resentment and a negative attitude about reform and open policy, who abuse their powers to seek personal gain and neglect their duties, who are guilty of embezzlement and bribery, who are morally degenerate, and who lure people to form factions, should be driven away from leading bodies resolutely.

We should make great efforts to improve the quality of young and middle-aged cadres. In recent years, a large number of young and middle-aged cadres have stepped into leading posts, and have become a key force on various fronts. With the view to better exploiting the important role of young and middle-aged cadres in carrying out reform and open policy and in building the socialist modernization, we must strive to improve their accomplishment of basic Marxist theories, strengthen the training of the party spirit among them, and constantly enhance their leadership expertise. The coming 10 years is a key period for us to train successors to our revolutionary cause. Party organizations at all levels should actually attend to the education and training of young cadres, and should, as quickly as possible, cultivate a number of reliable successors who are loyal to Marxism. This is a historical task of great significance. Party organizations at all levels should also pay attention to cultivating and promoting female cadres, cadres of minority nationalities, and nonparty cadres.

We should persist in the principle of "the party managing cadres." We should strengthen the party's macro-management, examination, and supervision over the

cadre work; and should prevent the tendency of weakening and deviating from party leadership in doing the cadre work. We should persist in selecting and promoting cadres in line with party principle, and resolutely oppose unhealthy trends in cadre and personnel matters in order to actually ensure the implementation of the cadre line of appointing cadres according to their political integrity and ability. We should persistently implement the cadre exchange system to promote the healthy growth of cadres.

We should continue to exploit the role of the provincial advisory commission because it is a political adviser to the provincial party committee. The vast number of veteran comrades who have already retired or left their jobs are valuable to the party and the state. We should show concern for them, respect them, and learn from their good ideas and work style. While making appropriate arrangements for their livelihood, we should pay attention to exploiting their role in various ways.

C. We should conscientiously implement the party's principle of democratic centralism, and strengthen the building of the inner-party activity system.

Democratic centralism is the fundamental organizational principle and organizational system of the party, and is an important guarantee for achieving success in developing the party's ideology, organization, and work-style. Party organizations at all levels and all party members must strictly follow it. In the process of carrying out democratic centralism, we should not only overcome the tendencies of imperfect democratic activities within the party and the failure to fully exploit the initiative and creativity of party members, but also prevent the phenomena of insufficient centralism, lax discipline, and decentralism in order to unify democracy with centralism. Party organizations at all levels and all party members, leading cadres in particular, should consciously maintain a high degree of ideological and political unanimity with the party Central Committee, resolutely subject themselves to the unified leadership of the party Central Committee, earnestly execute the party's resolutions, and should strictly observe political discipline. We should persist in and safeguard the principle of integrating collective leadership and the division of labor and individual responsibility. All major matters must undergo collective discussion, and should not be decided by individuals. Whenever a resolution is adopted, it must be implemented resolutely and should not be laid aside. It is also forbidden for each to go his own way in implementing the adopted resolutions. We should further establish and strengthen the party's People's Congress system, the democratic election system, the collective leadership system, the party's organizational activity system, and the inner-party supervision system. Party committees at or above the county level should all establish leading bodies' work regulations or procedural rules, and give full play to the role of plenary sessions in making policy decisions for major matters. Standing Committees should assume responsibility for plenary sessions. Party organizations at all levels must

rigorously enforce democratic activities, strengthen inner-party supervision, and conscientiously conduct criticism and self-criticism. Those who violate and destroy the party's organizational principle and organizational discipline should all be severely criticized or be punished if necessary.

D. We should strengthen the development of party organizations at the grass-roots level, and give full play to their role as a fighting fortress.

Grass-roots organizations are the foundation of the party. Only with success in the building of the grass-roots party organizations can we actually implement the party's line, principles, and policies. Party committees at all levels must positively explore ways to solve new problems emerging in the party's work at the grass-roots level under the new situation in close connection with the implementation of the party's basic line. Party committees at all levels should also adopt effective measures to build grass-roots party organizations well.

To strengthen the building of grass-roots party organizations, we must first of all enhance the cohesive force of party organizations, and give full play to their role as a fighting fortress. Township (town) party committees and village party branches should fully play their role as a leading nucleus in carrying out various undertakings; guide the masses to develop the socialist commodity economy, take the road of being prosperous through hard work and achieving common prosperity, and successfully develop socialist spiritual civilization. We should earnestly do a good job in the work of transforming backward party branches, combine the consolidation of ideology and workstyle with the consolidation of organization, and strive to basically change the outlook of backward party branches and backward villages within two or three years. Party organizations of enterprises should actually bear the responsibility of ideological and political leadership, achieve success in conducting ideological and political work and in building spiritual civilization, and fully play their role as a political nucleus. We should ensure and supervise the implementation of the principles and policies of the party and the state among enterprises, and ensure and supervise the realization of operational targets of enterprises. We should make great efforts to strengthen self-development, and constantly enhance the cohesive force and fighting capacity of grass-roots party branches. We should support plant directors in exercising their powers according to law and to independently and responsibly handle work related to management, operation, guiding production, and technological development. Enterprise directors should enhance their sense of respect for the party and the masses. Party committee secretaries and directors should unite and cooperate with each other, and firmly rely on the vast number of staff members and workers to successfully operate socialist enterprises together. Schools of higher learning should enforce and improve the system under which the presidents assume

full responsibility under the leadership of party committees. We should conscientiously strengthen the development of general party branches and party branches, intensify the ideological and political work of schools, improve and stabilize the political work contingent and raise its work level. We should attach importance to the party building of organs at various levels, establish and improve systems for the activities and work of the party organizations of the organs, intensify the education and supervision of party members, especially leading cadres, and pay attention to maintaining administrative honesty. Party organizations of urban neighborhoods should play their leading and central role. Party organizations of institutions should also pay attention to their own improvement, and fully play their role as fighting bastions in developing the two civilizations.

We should conscientiously strengthen the management of party members. Party organizations should really understand and show concern for the political quality, ideology, work and life of all party members, and make sure that they participate in the regular activities of the organization on schedule and actively accomplish the work assigned by the party organization. We should persist in the system of democratic appraisal of party members and the system of party activities and, through appraisal and inner-party normal activities, enhance the vitality and vigor of party organizations, properly deal with unqualified party members, clear away corrupt elements and continuously purify the contingent of party members. We should do a good job in recruiting party members by implementing the principle of "upholding standards, ensuring quality, improving the structure and remaining prudent in recruitment," and conscientiously make checks during recruitment. We should attach importance to training and recruiting the outstanding elements among the workers, peasants and intellectuals engaged in production work to the party and particularly recruit party members from industrial workers. We should persistently carry out activities within the party, such as "competition to become advanced and outstanding," party-populace joint groups for achieving affluence, party members' responsible districts and party members' contribution days, and give full play to the leading and exemplary role of party members in developing the two civilizations.

E. We should strengthen efforts to improve party style and maintain the party's close ties with the masses.

Maintaining the party's flesh-and-blood ties with the masses is the source of our strength and the foundation for success in various undertakings. Last year's political storm forcefully reminded us once again that the style of a ruling party is a major issue in the life and death of the party. Party organizations at various levels should conscientiously implement the "CPC Central Committee's decision on strengthening the party's ties with the masses" and the provincial party committee's "opinions on implementing the decision," and achieve success in improving party style.

We should strengthen leadership over the effort to improve party style and further improve and enforce the party style responsibility system. Party organizations at various levels should conscientiously assume responsibility for improving the party style of their own localities and departments and see to it that every level leads, pays attention to, and is responsible for the work of the next lower level so as to create a climate in which the entire party pays attention to style. We should persist in the system of discussing party affairs at regular intervals, conduct studies of the party style situation at regular intervals and, based on full investigation and study, make realistic assessments and analyses, put forward specific measures to counter problems and achieve practical results. Leading cadres at various levels should be strict with themselves and play an exemplary role in improving party style. All localities and departments should conduct large-scale inspections on party style and party discipline every year and submit monograph reports to party committees at higher levels. Discipline inspection commissions at various levels and organization departments should be responsible for supervising the inspections.

We should intensify the anti-corruption struggle and strengthen efforts to maintain administrative honesty. We should continue to pay attention to the investigation and handling of major and serious cases. Law and discipline breaches of power abuse for selfish gains, embezzlement and bribe-taking, extortion and serious bureaucracy, especially major and serious ones committed by leading cadres, should be resolutely investigated and handled with concentrated efforts once discovered. We should strictly enforce party discipline and resolutely expel from the party the corrupt elements who become disqualified from being Communist Party members. Leading persons should be brought to account for failure to investigate cases, avoiding conflicts, and even shielding others or interceding in their behalf in the handling of cases. Starting with problems which the masses are most dissatisfied with, and which they talk about most widely, party organizations at various levels should carry out some practical work to punish corruption every year, continue to check the unhealthy trends in some trades and win the trust of the people with practical deeds.

We should institute various supervision systems and further strengthen supervision of leading organs and leading cadres. With regard to the various regulations on inner-party supervision that have been promulgated, party organizations should conscientiously put them into effect and guard against perfunctoriness and formalism. In addition, they should actively support discipline inspection, supervision, procuratorial and auditing departments in their performance of functions and strict enforcement of laws and discipline. We should attach great importance to and strengthen the supervision by the masses, support and protect the people who report irregularities, and adopt a serious attitude to treating and handling the situations reported by the people in their

letters and visits and the problems exposed by them. We should give further play to the role of legal supervision and democratic supervision by people's congresses, CPPCC, democratic parties and mass organizations, and attach importance to the supervision by the media and public opinion. Leading organs and leading cadres at various levels should voluntarily subject themselves to supervision. Privileged party members will never be permitted.

We should establish and publicize advanced examples, and greatly advocate good ideas and good work styles. We should continuously summarize the experiences in improving party style and maintaining administrative honesty, and popularize the typical examples of who remain clean and honest and who have the courage to struggle against corrupt phenomena. Party-member leading cadres at various levels should free themselves from paper shuffling and frequent meetings, go deep into the reality of life and deep among the masses, and intensify investigation and study work. We should persist in the work method of coming from the masses and going to the masses, and strive to make our policymaking more scientific and democratic and fully embody the fundamental interests of the masses. We should earnestly give heed to the voice of the masses, show concern for their hardships, help them solve difficulties, carry out practical work for them, and always maintain our flesh-and-blood ties with them. We believe that through the fruitful work done by party organizations at various levels, the party-populace and cadre-populace ties in our province will become closer and more harmonious, and the party's unity and combat strength will be further enhanced.

Comrades, we are in an important period of historical development. We have confidence and hope for our future. Let us rally closely around the party Central Committee with Comrade Jiang Zemin as the nucleus, rely on the party organizations at various levels, the vast number of party members and the masses of various nationalities throughout the province, work in unity, brave the way forward, and strive to win a new and still greater success in Liaoning's socialist modernization!

Liaoning Demands Tax Reporting, Self-Inspection

SK1309115390 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 12 Sep 90

[Text] According to the dispatch from the 1990 provincial work conference held in the city of Shenyang on 12 September on the general inspection of tax revenues, financial affairs, and commodity prices, Liaoning has scored obvious results in conducting general inspection over the past few years. The 1990 general inspection should be regarded as an important measure in promoting the program of improving the economic environment, rectifying economic order, and intensifying the reform drive; and in maintaining the country's stability. From now on, all enterprises, establishments, units, and individual-run industrial and commercial institutions

should conduct self-examination and actively report their existing problems to the authorities in line with the provisions concerned. This year the deadline of self-examination and voluntary reporting will fall on 10 October. Those who fail to report their problems to the authorities within the deadline will not only hand in the money earned by violating the provisions retroactively but also will have a fine imposed. Those who have seriously violated the law and discipline should be called to account in line with the party regulations and administrative measures. The handling of problems concerning a small treasury this year should be more strict than in 1989. Units which have indulged in a small treasury by conducting collective deposits and releasing funds privately and have not corrected their mistakes and reported their wrongdoing to the authorities immediately will be strictly punished after they have been exposed. Those who have reported the malpractice of a small treasury to the authorities will be rewarded after the malpractice has been investigated and dealt with.

Liaoning Requirements for Organ Size

SK1309115990 Shenyang Liaoning Provincial Service in Mandarin 0930 GMT 12 Sep 90

[Text] The provincial work conference sponsored by the provincial party committee and the provincial people's government on rectifying the authorized size of organs opened in the city of Shenyang on 12 September. Shang Wen, deputy secretary of the provincial party committee, and Chen Suzhi, vice governor of the province, attended the work conference.

During the work conference, Vice Governor Chen Suzhi, on behalf of the provincial party committee and the provincial people's government, delivered a report entitled "Earnestly Implement the Spirit of the National Work Conference on the Authorized Size of Organs and Promote in an Overall Way the Work of Improving or Rectifying the Authorized Size of Organs Across the Province".

In citing the work on improving and rectifying the authorized size of organs, Chen Suzhi stated in her report that bringing the authorized size of organs under control represents the needs of implementing the principle of the CPC Central Committee and the State Council with regard to improving the economic environment, rectifying economic order, and intensifying the reform drive; is a part of the work as a whole on improving the environment and rectifying order; and has a direct bearing on relieving the burdens of financial departments and stabilizing the entire economic situation.

In coping with the issues of screening and rectifying the authorized size of organs, Comrade Chen Suzhi put forward in her report the following four specific demands: 1) Leading personnel at all levels should unify their understanding and be greatly determined and make all-out efforts to carry forward the work to the letter of screening and consolidating the authorized size of

organs. 2) Efforts should be made to examine or screen the existing size of organs, find out problems, and put forward opinions on dealing with these problems. 3) Efforts should be made to adopt resolute measures to maintain the overall stability of the authorized size of organs. The number of institutions of local organs at all levels will not be increased generally and the authorized size of staffers will no longer be enlarged. 4) A good job should be done in curtailing or reducing the number of staffers in a planned manner and step by step and in making job arrangements adequately for the personnel who have been removed from their posts because of the excessive size of staffs.

Northwest Region

Secretary Attends Ningxia Meeting on Militia Work

HK1409131490 Yinchuan NINGXIA RIBAO in Chinese
12 Aug 90 p 1

[Report by Wang Wei (3769 3837) and Shi Jinyu (2457 6855 3768): "Regional Party Secretary Huang Huang Attended a Regional Work Meeting on the People's Armed Forces"]

[Text] From 9 to 11 August in Yinchuan the regional party committee, government, and military district jointly held a regional work meeting on the people's Armed Forces to study and resolve the issue of party leadership over the Armed Forces and the problem of how to improve the buildup of the people's Armed Forces and the militia reserve service.

Among those present at the meeting were regional party, government, and military leaders Huang Huang, Bai Lichen, Hu Shihao, Dong Daosheng, Liu Guofan, Chai Zhulin, Xu Qian, and Chen Jingbo; responsible comrades from the relevant departments directly under the regional authorities; responsible comrades from the headquarters and political and logistics departments of the Ningxia Military District; responsible comrades from prefectural, city, and county party committees, governments, and military departments; and responsible comrades from the relevant departments of the Lanzhou Military Region.

Major General Hu Shihao, commander of the Ningxia Military District; and Dong Daosheng, its political commissar, presided over the meeting on separate occasions. Commander Hu Shihao relayed the relevant documents of the CPC Central Committee. Bai Lichen, Hu Shihao, and Dong Daosheng addressed the meeting. A responsible person from the Pingluo County Government and the county people's Armed Forces department briefed the participants on the county's experience in exercising party leadership over the Armed Forces and in building the people's Armed Forces. Huang Huang, Hu Shihao, Dong Daosheng, and all the delegates went to Pingluo County to watch the performances of the Pingluo sugar refinery's crack militia corps organized by the county people's Armed Forces department.

This meeting on the people's Armed Forces was the largest in the region since 1987. The meeting stressed that in the new situation party committees and governments at all levels should strengthen their concept about exercising party leadership over the Armed Forces, put people's Armed Forces departments and the militia reserve forces under absolute party leadership, bring their functions into play, and pay attention to the completion of all work. All party committees, governments, and the relevant departments should seriously perform their duties, fully display their role, and resolve their existing problems as soon as possible. There is a need to organize the militia in carrying out the "two civilizations" so that they will make contributions to stabilizing Ningxia's society and invigorating its economy. Maintaining stability is an overriding task at present, the meeting pointed out. The militia and their reserve forces constitute the backbone in ensuring the implementation of the party's line, policies, and principles, in preserving social stability, and in guaranteeing the smooth implementation of reform and construction. The militia should be trained in the course of fulfilling difficult and dangerous tasks, so that they can improve their political and military quality, consolidate their organizations, and engage in both production and combat. The meeting urged all party committees, governments, people's Armed Forces departments, and other relevant departments in the entire region to take this meeting as a new departure point for their work, to develop their achievements, to overcome difficulties, to set high and strict demands for themselves, to proceed with their work diligently, and to create more typical examples in the work concerning the people's Armed Forces. Emerging under the new situation, crack militia corps play an important role in stabilizing the situation. They must be well-organized and composed of keen-witted and reliable people; they must undergo strict training, study how to display their comprehensive strength, use their comprehensive strength to crack down on law breakers, and make contributions to political, economic, and social stability.

Xinjiang Leaders Study Jiang Zemin Speeches

OW1309111890 Urumqi Xinjiang Television Network
in Mandarin 1300 GMT 12 Sep 90

[From the "Xinjiang News" program]

[Text] The autonomous regional party committee held a meeting of its Standing Committee from 8 to 10 September in order to earnestly convey, study, and understand the important speeches made by General Secretary Jiang Zemin during his inspection of Xinjiang. The party committee called on party organizations throughout the region to make the study and implementation of the important speeches their priority task for the present and a period of time in the future and to strive to improve their work.

At the meeting, Wang Enmao, vice chairman of the National Committee of the Chinese People's Consultative Conference and chairman of the autonomous

regional advisory commission; Song Hanliang, secretary of the autonomous regional party committee; Tomur Dawamat, Janabil, Li Shoushan, Amudun Niyaz, Zhang Sixue, and (Zhang Fushen), vice chairmen of autonomous regional party committee; as well as members of the Standing Committee freely exchanged views on what they have gained in studying General Secretary Jiang's important speeches and on how to carry out the guidelines in the speeches.

The participants to the meeting have been deeply educated and inspired after studying and discussing the speeches. They expressed their determination to set an example in implementing the speeches in all fields of work in an all-round way. Leading comrades of the autonomous regional advisory commission, the regional People's Congress, and the regional committee of the Chinese People's Political Consultative Conference attended the meeting as observers.

The meeting held that the series of speeches made by General Secretary Jiang in Xinjiang thoroughly represent Marxism, Leninism, and Mao Zedong Thought, represent material dialectics, and represent the party's ideological line and guidelines on seeking truth from facts. He upholds the party's basic line and upholds the leadership of the party and socialism in every topic he talked about. Therefore, the speeches constitute a programmatic document which will guide us to do our work well at present and during the rest of the year.

General Secretary Jiang's inspection tour in Xinjiang lasted 11 days. Disregarding fatigue, he travelled north and south of Tian Shan, covering a journey of 20,000 kilometers to call on people of all nationalities in Xinjiang in order to express his cordial regards for them. Every place he visited, he gave detailed instructions concerning Xinjiang's work. His instructions is guiding our advance.

The participants to the meeting held that the successive inspection tours to Xinjiang made by General Secretary Jiang, Comrade Qiao Shi, and Comrade Yang Baibing in less than a month's time fully demonstrate the attention paid to Xinjiang's work by the third-echelon leading collective of the party Central Committee with Comrade Jiang Zemin as the core, as well as its concern for and expectations of soldiers and people of all nationalities in Xinjiang.

The meeting held that in studying and implementing General Secretary Jiang's speeches, it is necessary to take Xinjiang's actual conditions into account and carry out all the speeches' guidelines one by one. General Secretary Jiang has shown great concern for Xinjiang's stability and development. Under the present circumstances, we should keep stability and development in mind and try to earnestly do our work well. We should clearly understand that national splittism is the principal danger of Xinjiang and should work unremittingly to promote stability in order to ensure long-term stability for Xinjiang. We should further promote the great unity

among all nationalities, firmly foster the Marxist concept of nationality and region, earnestly implement the Law of Regional National Autonomy and the party's policies on nationalities, further develop the new socialist relationships of unity, equality, and mutual aid among all nationalities, and strive to realize the requirement that people of all nationalities should be united and share weal and woe, which was set forth by General Secretary Jiang. Focusing on the utilization of natural resources and petroleum exploitation, we should concentrate on economic development and strive to steadily advance our regions' industrial, agricultural, and livestock production and gradually upgrade economic level and people's standard of living.

Under the precondition of upholding the four cardinal principles, we should continue to carry out reforms and open to the outside world. The household contract responsibility system in rural areas should not be changed and should be stabilized. On the basis of this system, we should establish and popularize a social service system, with the five unified aspects as the main points, and introduce the double track management system for strengthening the collective economy. Efforts should be made to further open the motherland's western gate and vigorously promote foreign trade. It is necessary to do everything we can to support the work of the Xinjiang Production and Construction Corps and other military units stationed in Xinjiang, seeing to it that the corps' work does not lag behind. We should energetically strengthen unity between the Army and the government and between soldiers and civilians, launch activities to support the Army and give preferential treatment to military dependents, and show concern for and support military units in successfully carrying out various construction projects.

The meeting held that the leadership of cadres is of crucial importance in implementing General Secretary Jiang's instructions and further promoting stability and development in Xinjiang. Members of the autonomous regional party committee shoulder a heavy responsibility. They should adhere to the party's basic line, diligently study Marxism-Leninism-Mao Zedong Thought and Comrade Deng Xiaoping's works, and strengthen collective leadership by bringing collective wisdom into full play. They should adhere to the party's mass line, step up investigation and study, and pool the efforts of all in successfully carry out the work. Efforts should also be made to intensify the construction of the ranks of cadres, promote a clean government, step up ideological and political work, improve work style, and wholeheartedly serve people of all nationalities in Xinjiang.

The participants unanimously agreed that Comrade Wang Enmao has worked for a long time and performed meritorious service for Xinjiang. He has rich experience in the work of various aspects. His support and backing means an asset to us in carrying out the work in Xinjiang. By relying on the collective leadership and on Wang Enmao and other veteran comrades, members of

the regional party committee will certainly be able to lead party organizations at all levels and cadres and people of all nationalities in Xinjiang in smoothly fulfilling the tasks entrusted to us by the party Central Committee.

The meeting urged party organizations at all levels in the region to earnestly organize cadres and the masses to study General Secretary Jiang Zemin's important speeches, thoroughly understand their spirit, and work out plans for studying and implementing his speeches in the light of reality in each locality or department, thereby giving a strong impetus to current work in all fields.

Xinjiang Paper Deplores Official Extravagance

*OW1309115890 Urumqi XINJIANG RIBAO in Chinese
19 Aug 90 p 1*

[Article by unidentified XINJIANG RIBAO commentator]

[Text] Party and government functionaries must conduct themselves in an honest and upright manner, refrain from wining and dining at public expense, and curb extravagance and waste. This has been repeatedly stressed by the party Central Committee and the State Council in the past few years.

Since the General Offices of the party Central Committee and the State Council promulgated the "Regulations Banning the Use of Public Funds for Feasting During Official Activities Conducted Inside the Country and Governing Working Meals" last year, the majority of prefectures, autonomous prefectures, departments, and units in the autonomous region have conscientiously followed the central authorities' guidelines and enforced relevant regulations of the autonomous region's people's government. As a result, there was a remarkable drop in using public funds for feasting, gift giving, dining, wining, and sightseeing. However, the use of public funds for feasting, dining, wining, and sightseeing under a multitude of names has resurged since the beginning of this year. In particular, since the beginning of August—Xinjiang's peak tourist season, various seminars, fairs,

commendation meetings, as well as professional conferences with counterparts from other provinces, municipalities, and autonomous regions, are being held in succession. Visitors, fact-finding groups, and sightseeing groups have been flocking in. They take up all the rooms in major hotels in the capital city of Urumqi, leaving foreign tourists with no place to stay. Some units simply ignore all rules and regulations repeatedly issued by the party Central Committee, the State Council, and the autonomous region banning the use of public funds for feasting. They dine, wine, and travel to scenic spots at public expense. They squander public funds on high-grade cigarettes and liquor. All this has left a very bad taste in the public's mouth. Such behavior must be firmly curbed.

Currently, the entire region is implementing the guidelines of the 6th Plenary Session of the 13th Party Central Committee and the 15th Enlarged Plenary Meeting of the 3d Autonomous Regional Party Committee. People are striving for further political, economic, and social stability in the autonomous region and for the region's 13th bumper harvest year in agriculture and animal husbandry. However, the region is faced with onerous economic tasks in the second half of this year, and many difficulties remain to be tackled. Also many problems among the masses remain unsolved. We should recognize the harm of dining and wining at public expense; it squanders the fruit of the people's labor, undermines party style, corrupt social values, and erodes close ties between the party and the government on the one hand and the people on the other. This is strongly detested by the people.

Comrade Deng Xiaoping pointed out: "Leadership means service." Leading cadres at various levels should always bear in mind their goal of serving the people wholeheartedly and be concerned with the well-being of the masses. They should take the lead in strictly implementing the guidelines of relevant documents issued by central authorities and the autonomous region. They should strictly follow regulations on receiving official guests. They should set an example themselves in refraining from and stopping the unhealthy trends of feasting, gift giving, dining, wining, and sightseeing at public expense. Upon discovery, those who violate the regulations should be investigated and punished strictly in accordance with party and government discipline.

Commentary Claims Mainland Policy Unpopular

HK1309101690 Beijing ZHONGGUO XINWEN SHE
in Chinese 0642 GMT 30 Aug 90

[Commentary by staff reporter Tian Di (3944 0966):
"The Taiwan Authorities' 'Cold Water' Policies Do Not
Enjoy Popular Support"—ZHONGGUO XINWEN
SHE headline]

[Text] Beijing, 30 Aug (ZHONGGUO XINWEN
SHE)—The "temperature difference" between Taiwan
civilian and official attitudes toward relations between
the two sides of the strait is becoming increasingly
prominent, with the former being enthusiastic and the
latter being cold. Recently, the Taiwan authorities drew
up a series of "cooling" methods to pour "cold water" on
the "mainland fever," including the rising enthusiasm
about carrying out trade with the mainland. This has
aroused strong repercussions among civilians on the
island.

For the last few days, the Taiwan "Economic Affairs
Ministry" and "Justice Ministry" are busy formulating a
bill on "prohibiting direct trade and allowing indirect
trade," a draft of "management methods on indirect
commodity exports to the mainland," a draft of "man-
agement methods on investments and technological
cooperation with the mainland," and a draft of "regula-
tions governing people's relations between Taiwan and
the mainland." These methods and regulations are char-
acterized by four points: First, overemphasizing political
factors, taking a hostile attitude toward economic and
trade exchanges between the two sides, and revealing
grim, mental precautions in the economic field; second,
inserting a "no" concept into the economic and trade
policy toward the mainland under the pretext of "stan-
dardization" and "management;" third, imposing exces-
sive limits on industrial and commercial circles in an
attempt to bind them hand and foot; and fourth, lacking
prospecting and macrofeatures, falling far behind the
wishes of people in industrial and commercial circles as
well as economic and trade development between the
two sides.

The reason the Taiwan authorities can noisily provide in
working out these "cold water" policies is "combating
the CPC's united front efforts" "for the sake of Taiwan's
security and interests." The fallacy of this "cold war"
theory is obvious.

Why have people in Taiwan's industrial and commercial
circles stirred up a mainland trade fever? Why have the
Taiwan authorities' "cold water" policies met with this
opposition? An analysis suggests the following explana-
tions:

1. The economic and trade fever on the island is an
inevitable outcome of economic and trade development
between the two sides of the strait. In the past, people in
Taiwan's industrial and commercial circles could not
carry out trade exchanges with the mainland as a result
of estrangement between the two sides. Following

changes in the situation, the mainland has captivated the
attention of Taiwan businessmen. Taiwan's strong
points have gradually disappeared in recent years as a
result of the deterioration of its export processing
industry and the intensification of international compe-
tition, whereas the mainland's reform and opening up
has provided Taiwan businessmen with opportunities
for development. Because Taiwan businessmen have
gained adequate commercial experience, they can make
wise decisions on whether they will benefit or how much
they will benefit from economic and trade exchanges
with the mainland.

2. Economic and trade relations between both sides find
expression in mutual benefit. The mainland's strong
points lie in its cheap labor force and land and its
extensive international relations, whereas Taiwan's
strong points manifest themselves in funds, experience,
and sales tactics. The two markets are of a cooperative
nature instead of a competitive one. If they do not
cooperate, there will be competition; if they cooperate,
there will be coordination.

3. Whether Taiwan's industry will come to "naught"
depends on the economic environments of the island and
the world and on the authorities' industrial policy, rather
than on the economic relations between the two sides of
the strait. Some enterprises and undertakings have no
opportunity to exist on the island; why cannot they find
appropriate places on the mainland for a living? If they
are tied up on the island, will they not wither all the
same? As a matter of fact, Taiwan's industrial drain
started a decade or so ago. If this industrial drain can
bring about better operational results, it will not be bad
for Taiwan businessmen or the Taiwan economy.
Instead it will be conducive to the industrial structural
adjustment on the island. On 16 August, the Taiwan
"Economic Affairs Ministry" completed the formulation
of "main points for guiding investments abroad." A
policymaking official disclosed this was for "helping
manufacturers and businessmen to create a second
spring overseas, to cool down the mainland fever, to stop
Taiwan funds from floating to the mainland, and to
prevent falling into the united front trap of the CPC."
This is incomprehensible. Is an industrial drain to for-
eign countries not leading to "naught?"

4. The correctness of the theory "economic and trade
exchanges between both sides will endanger Taiwan's
economic lifeblood" is doubtful. Reexport trade between
both sides accounts for only a small percentage of
Taiwan's total trade volume, and Taiwan always regis-
ters a favorable balance in its trade with the mainland.
There are some 1,000 Taiwan-invested enterprises on
the mainland and the total amount in the agreements
signed is only \$1 billion. This is only a meager amount in
comparison with Taiwan's billions of dollars' worth of
investments in the United States and other regions as
well as with some 30 billion dollars' worth of foreign
investments on the mainland. Taiwan's capital outflow
was \$8.2 billion last year and \$9 billion from January to
August this year. This is a striking contrast to Taiwan

investments on the mainland. How can economic and trade exchanges between both sides endanger the Taiwan economy?

Summarizing the above points, we feel it is a matter of course for the Taiwan people to have such reactions to the Taiwan authorities' "cold water" policies.

Mainland, Taiwan Agree on Fishery Cooperation

*OW1409083290 Shanghai Voice of Pujiang
in Mandarin to Taiwan 0900 GMT 13 Sep 90*

[Text] News from Taipei [Taipei]: Fishery talks between the two sides of the Taiwan Strait produced agreement on cooperation in fishing between the Mainland and Taiwan and on the hiring of Mainland sailors by Taiwan

fishing vessels. The talks, sponsored by the Mainland and Taiwan Associations of Aquatic Products, were held from 10 to 16 August.

A fishery official of Taiwan's Agriculture and Fishery Commission recently indicated that the Agriculture and Fishery Commission would like to see the hiring of mainland labor if Taiwan's future mainland policy permits it.

The fishery agreement reached in principle between representatives of the two sides consists of two major parts: first, the two sides will cooperate in developing deep-sea fishing and in breeding and processing of aquatic products, and second, Taiwan fishing vessels will hire mainland sailors. According to the agreement, the hiring of mainland sailors will be carried out via Hong Kong.

Mainland Offers 'Secret' Oil Sales*OW1209131090 Taipei CHINA POST in English
6 Sep 90 p 12*

[Text] Peking has decided to sell crude oil and other petroleum products to Taiwan at preferential prices and will conduct the transactions in a way acceptable to Taiwan.

Quoting unnamed sources, the local evening CHINA TIMES EXPRESS said top authorities in Peking have agreed to conduct the transactions through a third area or in secret.

At present, mainland China produces 103 million metric tons of crude oil annually, and exports 1.6 million metric tons of oil monthly, with 750,000 metric tons going to Japan.

The sources said the decision to export oil to Taiwan was made by top Peking authorities at the suggestion of the Communist "Taiwan Affairs Office."

The sources said due to international oil crisis caused by the Middle East tension, the office proposed that authorities offer preferential prices in their supplies of crude and other petroleum products to Taiwan.

The office noted that this move will win the hearts of Taiwan compatriots, like last time when the Peking embassy in Kuwait offered to evacuate Taiwan's BES Engineering Corporation officials stationed there.

It also shows that mainland China has rich resources, which can attract Taiwan people to invest there, the sources quoted the office as saying.

Besides, the office noted, this will demonstrate Peking's sincerity in its proposal for a peaceful reunification of China, and promote exchanges across the Taiwan Strait.

The office added that the offer can even help cool down Taiwan's mainland fever and prompt Taiwan to abandon its policy of no contacts, no negotiations, and no compromise with Peking.

The sources said the proposal by the office was originally rejected by the foreign trade department in Peking because the mainland will not be able to make big profits from the sale, but top authorities in Peking later approved the proposal, saying Peking will be able to make substantive gains politically.

Meanwhile, the Chinese Petroleum Corporation (CPC) yesterday said the offer by Peking is just part of the Communist Chinese united front tactics.

CPC said Peking has more than once offered to sell oil to Taiwan, but the quality of crude oil it produces is "much worse" than that produced in the Middle East.

The CPC said oil production in mainland China is not abundant enough for exports. Besides, the oil in mainland China contains large amounts of wax and is not suitable for refineries in Taiwan.

It said before the government changes its policy, it would be impossible for the CPC to purchase oil from mainland China.

Taiwan to Help Defray Gulf Costs*OW1409103790 Taipei Domestic Service
in Mandarin 2300 GMT 12 Sep 90*

[From the "National News Hookup" program]

[Text] According to foreign wire service reports, Vice Foreign Minister Chen Chien-Jen, who is now visiting Washington, said that the government of the Republic of China has already decided to respond to the U.S. call for funds to help Persian Gulf areas affected by the invasion of Iraq. Chen Chien-Jen said, however, that the time is not yet right for disclosing the exact amount of the funds. He only said that the amount will be rather large. As for the use and distribution of the funds, they are also now being discussed.

Since the United States has been overextended with military spending incurred in deterring Iraqi aggression, since the Iraqi aggression has created a large number of refugees, and since some countries have suffered economic losses through economic sanctions against Iraq, the United States has called on the world to provide generous assistance so as to smoothly proceed with the work of punishing Iraq.

Vice Foreign Minister Chen Chien-Jen said that this time, the Republic of China and the United States have good coordination on the issue of imposing sanctions because of the Iraqi aggression. He cited the U.S. request on 3 August to freeze Iraqi and Kuwaiti assets in Taiwan. However, a check did not reveal any Iraqi or Kuwaiti assets in Taiwan. At that time, a China Petroleum Corporation tanker was on its way to Kuwait for oil. The tanker was immediately ordered to return to Taiwan.

Trade Surplus with U.S. Reportedly Decreased*OW1309043290 Taipei CNA in English 0301 GMT
13 Sep 90*

[Text] Taipei, Sept. 13 (CNA)—The Republic of China [ROC] Government said Wednesday that the country has achieved "outstanding results" in its efforts to reduce its trade surplus with the United States and to diversify exports from American markets.

The cabinet-level Council for Economic Planning and Development (CEPD) announced the results Wednesday after it had met to review the effects of a government program to strengthen economic and trade relations with the United States.

The program stresses narrowing Taipei's trade imbalance with Washington by 10 percent annually.

According to council statistics, Taipei's trade surplus with Washington totaled some 11 billion U.S. dollars in 1989, a drop of 9.8 percent from the previous year and almost the targeted 10 percent.

In the first seven months of 1990 alone, the surplus had shrunk 26.3 percent from last year and the decline for the year was expected to far exceed the target. The surplus was estimated to drop to about 9 billion U.S. dollars.

On the diversification of markets from the United States to other areas, the ROC Government has set a target of reducing its exports to America to no more than one third of its total exports by 1992. The country's exports to the United States accounted for 38.7 percent of total exports in 1988 and the percentage declined to 36.24 percent in 1989.

The council said the country would likely achieve its goal since the percentage had already fallen to 33.2 percent in the first seven months of this year.

According to the CEPD statistics, the Republic of China has also succeeded in expanding domestic demand and reducing its overall trade surplus.

The figures showed that the proportion of domestic demand to the country's Gross National Product (GNP) had increased from 86.7 percent in 1988 to 89.62 percent in 1989. The percentage was estimated to reach 92.32 percent this year and to climb even further to 92.7 percent in 1992.

The government has also advanced in its target to reduce to 4 percent the proportion of country's trade surplus to its GNP, the council said. The percentage was expected to fell to 5.66 percent this year, down from 10.8 percent in 1988 and 8.8 percent in 1989.

Kuomintang Endorses National Unification Council

*OW1309054590 Taipei CNA in English 0250 GMT
13 Sep 90*

[Text] Taipei, Sept. 13 (CNA)—The ruling Kuomintang's Central Standing Committee Wednesday resolved to establish the proposed National Unification Council [NUC] and endorsed its eight-article charter.

The charter provides that the NUC will be a task force headed by the president to speed the unification of China under freedom and democracy.

With the president as chairman, the council would have three vice chairmen, two of whom are the vice president and the premier, and a third to be appointed by the president, the charter said.

Tsiang Yien-si, presidential secretary general, said that the functions of the council and those of a planned mainland affairs council under the Executive Yuan

would not overlap because the Cabinet Council would mainly be in charge of implementing the government's unification policy.

He said the Presidential Council would try to take the initiative in developing relations across the Taiwan Straits and to accomplish the eventual unification of the country.

Tsiang noted that since the government moved to Taiwan in 1949, "recovering the mainland" has always been a firm government policy, even though the government has not been able to carry it out because of "complications in the objective environment."

Once established, according to the council charter, its 25 to 31 members would meet once every two months and other "relevant persons" would be invited to meetings when necessary.

The chairman could also call extraordinary meetings of the council when necessary, the charter said.

In addition to the council's members and staff, the chairman is also empowered to employ a research team to study appropriate issues.

Way Paved for Financial Internationalization

*OW1409043290 Taipei CNA in English 0251 GMT
14 Sep 90*

[Text] Taipei, Sept. 14 (CNA)—Domestic bankers agreed Thursday to entrust six banks to draw up a blueprint within six months that would pave the way for the Republic of China's financial internationalization.

The Bank of Taiwan, the members of the Republic of China Banks Association agreed, would be responsible for drafting rules concerning personnel, welfare, accounting, management, and legal affairs for use when the Republic of China begins to implement a more aggressive financial internationalization program.

The five others will organize special groups to study the financial situations of the European Community, the United States and Canada, Japan and South Korea, Hong Kong and Macao, and Southeast Asia.

The five banks are the Chang Hwa Commercial Bank, the First Commercial Bank, the Hua Nan Commercial Bank, the International Commercial Bank of China, and the United World Chinese Commercial Bank.

The bankers also endorsed a resolution asking each member bank to reject financial reports prepared by accountants with bad reputations. Such dishonest financial reports, the bankers asserted, had gravely affected their risk assessments when extending loans to their clients.

Foreign Minister Leaves for Papua New Guinea

OW1309203690 Taipei CNA in English 1528 GMT
13 Sep 90

[Text] Chiang Kai-shek International Airport, Northern Taiwan, Sept. 13 (CNA)—Foreign Minister Frederick Chien of the Republic of China left for Papua New Guinea Thursday for a visit.

Chien, leading an 11-member delegation, will attend the South Pacific island nation's 15th independence day celebrations on September 16 at the invitation of Foreign Minister Michael Somare, of Papua New Guinea.

Prior to his departure, Chien said Papua New Guinea is the second largest country in Oceania after Australia and has rich natural resources. He hoped the two countries would strengthen economic cooperation for each other's mutual benefit.

Members of Chien's entourage included John Ni, director-general of the Economics Ministry's Industrial Development and Investment Center, Lin Hsiang-neng, vice chairman of the Council of Agriculture, and Koh Chin-chao, chairman of the Taiwan Sugar Corp.

The Republic of China opened a representative office in Port Moresby, capital of Papua New Guinea, in February this year.

French Parliamentarians Visit Legislative Yuan

OW1309201690 Taipei CNA in English 1502 GMT
13 Sep 90

[Text] Taipei, Sept. 13 (CNA)—A group of French national assemblymen, led by Jean-Marie Le Gue of the Socialist Party, called on Legislative Yuan President Liang Su-yung Thursday.

Liang told his guests that France's assistance to mainland Chinese pro-democracy activists following the June 4, 1989 Tiananmen massacre had won worldwide acclamation.

The ROC [Republic of China] parliamentary leader said he had visited France twice and was well aware of the growing civilian contacts between the two countries. "Though our two countries do not have diplomatic relations," Liang said, "more frequent exchanges between parliamentarians will boost bilateral friendship."

Le Guen lauded the Republic of China Government and people's hard work in promoting political democratization and economic liberalization.

He admired the ROC legislators' contributions to advancing constitutional democracy, and said he and his colleagues would do their part to promote bilateral relations.

Other members in the French group included Jean-Christophe Cambadélis, Patrick Seve and Vulien Dray.

Hong Kong

Beijing Official Appointed as XINHUA Director

HK1309032990 Hong Kong HONGKONG STANDARD
in English 13 Sep 90 p 3

[By Fan Cheuk-wan and Stanley Leung]

[Text] A veteran Beijing official in charge of Hong Kong affairs has been posted as an adviser to the local branch of the XINHUA News Agency.

Rong Kang, 60, is a former director of the Second Division of the Hong Kong and Macao Affairs Office under the State Council.

He is believed to be a special adviser to the branch director, Zhou Nan.

It is the first time the Hong Kong and Macao Affairs office has posted a representative to the Hong Kong XINHUA branch.

The appointment is a further indication of the rise in importance of the office in relation to XINHUA, Beijing's de facto embassy in the territory.

Despite this, senior Chinese official Lu Ping said yesterday the relationship between the two bodies had not changed.

Mr. Lu, a deputy director of the Hong Kong and Macao Affairs Office, said both his office and the XINHUA branch fell under the State Council and neither was directly affiliated with the other.

In the past, advisers to XINHUA in Hong Kong have been retired cadres of the news agency.

Sources said Mr. Rong's appointment indicated a tightening of control by Beijing over implementation of central government policy in Hong Kong.

XINHUA refused to comment.

Mr. Rong, a veteran expert in Hong Kong affairs and a native of Guangdong, speaks fluent Cantonese and has extensive connections with political and social groups in the territory.

Sources said he made a secret trip to Hong Kong in early July, before helping to prepare for the visit by British minister Francis Maude to Beijing.

His arrival in Hong Kong on Tuesday came just four days after officials with Hong Kong responsibilities were reported to have held a crucial working conference in Beijing to discuss the transition of sovereignty to China—the existence of which was also denied yesterday by Mr. Lu Ping. The talks were said to have been from Monday to Thursday last week.

Attending a sub-group meeting of Macao's Basic Law Drafting Committee in Qingdao yesterday, Mr. Lu said his office had not conducted any special conference,

although some XINHUA officials had gone to Beijing to report on developments here.

He also rejected suggestions that the Hong Kong branch of XINHUA had been downgraded since the arrival of Mr. Zhou.

He said Mr. Zhou was promoted to minister when he took the XINHUA job early this year.

Mr. Lu's remarks also contradicted a version given by the American Chamber of Commerce after a meeting with a deputy director of the Hong Kong and Macao Affairs Office, Li Hou, last week. Chamber president John Kamm said a high-level meeting of Chinese officials in Beijing had discussed China's Hong Kong policy and the 1991 and 1995 elections.

New Political Group Wins Mainland Support

HK1309024790 Hong Kong SOUTH CHINA
MORNING POST in English 13 Sep 90 p 7

[By Bellette Lee]

[Text] China's top representative in Hong Kong, Mr. Zhou Nan, has given his blessing to the formation of the Liberal Democratic Federation (LDF), a party of local businessmen and professionals.

The LDF, seen as a conservative party, is the first local group to have won mainland support and is scheduled to be officially launched in late October.

The LDF's spokesman, Dr. Philip Kwok Chi-kuen, said yesterday the group expected to have 100 to 150 founder members and was eyeing nine of the 18 seats available in next year's direct elections to the Legislative Council.

It would also be involved in the municipal and district level elections.

Potential candidates for the Legco polls were either members or friends of the LDF, Dr. Kwok said.

They include Mr. Chan Ying-lun, Mr. Cheng Kai-nam, Mr. Joseph Chan Yuet-sut, Mr. Chung Pui-lam, Mr. Pao Ping-wing, Mr. Michael Cheng Tak-kin, Mr. Tai Chin-wah and Mr. Pang Hang-yin.

Party organisers are drafted mainly from the Group of 89 businessmen and professionals of the disbanded Basic Law Consultative Committee, which has promised China it will actively participate in local politics.

Dr. Kwok said they had raised the formation of the LDF with Mr. Zhou.

Key mainland officials, including the former leader of the Chinese side of the Sino-British Joint Liaison Group, Mr. Ke Zuishuo, were informed of their plans, said the party's organising committee chairman, Mr. Hu Fa-kuang.

And the State Council's Hong Kong and Macao Affairs Office had been kept informed of their progress, he added.

Further exchanges between the LDF and Chinese officials would take place when organisers of the group attended the Asian Games opening in Beijing.

Until now, five Legislative Councillors have registered their interest in joining the party: Mr. James Tien Peichun, Mr. Chung Pui-lam, Miss Maria Tam Wai-chu, Mr. Chan Ying-lun and Mr. Michael Cheng Tak-kin.

Apart from Mr. Tien, a party organiser, the LDF had yet to approach other appointed members of Legco, Dr. Kwok said.

Other founders will come from the two municipal councils and the 19 district boards, the Group of 89, the Progressive Hong Kong Society and grassroots communist leaders.

Dr. Kwok said the group would aim to uphold Hong Kong's freedom and maintain the territory's investment environment.

"It will be undesirable if China interferes with Hong Kong's affairs after 1997 out of misunderstanding," Dr. Kwok said.

"Moreover, under the 'one country, two systems' policy, it's unreasonable to emphasise only Hong Kong interests while ignoring the well-being of China," Dr. Kwok said.

Mr. Hu said they would refrain from intervening in China's internal affairs.

Mainland Urges Employees To Support Elections

HK1309025990 Hong Kong SOUTH CHINA
MORNING POST in English 13 Sep 90 p 7

[By Kent Chen]

[Text] China is encouraging employees of mainland-funded organisations in Hong Kong to actively involve themselves in next year's three-tier elections, a senior Chinese official said yesterday.

The deputy director of the local branch of the New China News Agency (NCNA), Mr. Zheng Hua, said the agency had urged the employees to register as voters and stand for the elections.

Speaking at a reception of the Chinese Ministry of Foreign Affairs' visa office in Hong Kong, Mr. Zheng said China viewed the three elections as equally important.

Asked what assistance would be provided to pro-China candidates, Mr. Zheng said:

"If you are talking about financial assistance, I believe they have more money than we have."

But the NCNA could give moral support to friendly candidates, he added.

He did not rule out the possibility that the left-wing news media would be mobilised to rally public opinion behind their favourite candidates.

Commenting on the newly elected leadership of the Hong Kong Alliance in Support of the Patriotic Democratic Movement in China, Mr. Zheng said China would not accept it unless there was a substantial shift in the alliance's policy.

The new director of the visa office, Mr. Tian Rongjian, said there had been an increase in the number of visa and travel documents issued by the office to foreigners and Taiwanese visitors.

Mr. Tian said this was due to China's continued open door policy and the increasing contacts between the two sides of the Taiwan Strait.

Mainland Officials To Join Training Program

HK1309030590 Hong Kong SOUTH CHINA
MORNING POST in English 13 Sep 90 p 6

[By Shirley Yam]

[Text] Chinese officials will soon be enrolling in the Hong Kong Government's training course for senior officers following a recent agreement between the two sides.

This will be the first time that a Hong Kong Government training programme has been opened to officers from other countries.

The unprecedented move is seen as an attempt to bolster exchange and communication between officials of the two governments in the run-up to the 1997 handover of Hong Kong's sovereignty.

Conducted by the Senior Staff Course Centre of the Civil Service Branch, the three-month training programme is designed for directorate officers who hold key posts in the Government.

Lectures and group discussions on topics such as Hong Kong's political development, Sino-Hong Kong relations, as well as general managerial and administrative skills, form the backbone of the programme.

The centre's director, Mr. Leonard Sneddon, said the arrangements were made following a request from the Chinese Government during a visit to Hong Kong by the director of the Ministry of Labour and Personnel Affairs, which oversees the training of senior civil servants and cadres.

As participants in the course are required to be of a high calibre and speak good English, only one Chinese official has been selected and he will have to attend a six-month intensive English course before being admitted to the programme.

Mr. Sneddon said the Chinese Government was eager to learn from the local civil service and mainland officials were impressed with how the Hong Kong system operated.

So far this year, three mainland delegations interested in the local civil service had visited the centre.

"It is also good to have mainland cadres in Hong Kong to taste freedom and to learn about our economic, social and political freedom," Mr. Sneddon said. "This may help Hong Kong in the long term."

The contracts with Chinese civil servants through the course would also be beneficial to local officers, he added.

With limited resources available, the offer of training places for mainland civil servants would be kept on a small scale.

Meanwhile, Mr. Sneddon said the general exchange programme between officials from the two sides, suspended since the Tiananmen Square massacre in June last year, would resume on November 19.

"We've got clearance from the PRC. Beijing is, in fact, very keen that we go, and wants to have it done frequently because it sees this as an opportunity to learn from our civil servants," he said.

According to the present plan, a 14-member delegation will visit the State Council's Hong Kong and Macao Affairs Office, the State Commission for Restructuring the Economy and the Education Commission.

Mr. Sneddon stressed that the week-long visit was not politically oriented.

Other overseas study tours, including one to Tokyo and another to Jakarta, were also organised for officers to broaden their horizons.

"This is a sufficient indication that the Beijing thing is not a specific China-oriented part of the programme. It just happens to be one of the many host countries," he added.

Macao

Melancia Warns Against 'External Interference'

HK1409023990 Hong Kong HONGKONG STANDARD in English 14 Sep 90 p 3

[By Harald Bruning]

[Text] Macao Governor Carlos Melancia yesterday hit out against what he called "external interference" by both China and Portugal in Macao affairs.

Mr. Melancia, the subject of recent resignation rumours and corruption allegations, claimed the "external interference" was based on a "lack of knowledge that exists

everywhere" and that would "raise difficulties for the tasks that we have to face in favour of the future of Macao".

Mr. Melancia, whose administration has this year been criticized for various reasons by political representatives both in China and Portugal, urged the two countries to "interfere" in future only "within the spirit of the Sino-Portuguese Joint Declaration, in the sense of helping us with the challenges that we have to face".

While Chinese political representatives, like Hong Kong and Macao Affairs Office vice-directors Lu Ping and Li Hou, have recently criticized the Macao government for being "sluggish" in its localisation process in the run up to 1999, Portuguese politicians have criticized Mr. Melancia for allegedly being too close to China and of having neglected the promotion of Portuguese culture in Macao.

Critics have described his large-scale development scheme as an attempt to convert Macao into a "concrete jungle". Mr. Melancia has rejected the criticisms from Beijing and Lisbon as interference in the internal affairs of Macao, advocating increased autonomy for the enclave until the takeover by China in 1999.

Mr. Melancia's statement was part of a speech on the occasion of the swearing-in of the new Under-Secretary for Justice Sebastiao Povas.

Mr. Povas, a Macao district court judge, succeeds Mr. Magalhaes e Silva who resigned in June.

Post-1999 Residents Can Apply for Passports

HK1409024790 Hong Kong SOUTH CHINA MORNING POST in English 14 Sep 90 p 5

[From Adam Lee in Macao]

[Text] Residents of Macao's post-1999 Special Administrative Region [SAR] will be able to apply for passports at any time, unlike their mainland counterparts, who can only apply just before travelling overseas.

This was revealed yesterday by the deputy director of the Chinese State Council's Hong Kong and Macao Affairs Office, Mr. Lu Ping, who is in Qingdao attending a special group meeting of the Macao Basic Law Drafting Committee, of which he is secretary-general.

He said they could apply for passports "at their own wish" even if they were not going anywhere immediately.

Mr. Lu also said that Chinese nationality laws would be applied in the SAR "actively and flexibly", especially with regard to Macanese people, because they "have both Chinese and Portuguese blood".

He said China would "respect these people's own wish to choose their nationality".

Mr. Lu said Chinese residents of Macao, if they had Portuguese passports, could continue to use the passports as travel documents after 1999.

He said this could be considered as "an indirect way of recognising dual nationality in the Macao SAR", although China does not officially recognise dual nationality.

Cultural, Social Affairs Meeting Opens 11 Sep

Political Structure Viewed

OW1109234190 Beijing XINHUA in English
1458 GMT 11 Sep 90

[Text] Qingdao, September 11 (XINHUA)—Two groups specializing in cultural and social affairs and the political structure under the Drafting Committee of the Basic Law for the future Macao Administrative Region opened their fifth meeting here today.

According to Qian Weichang, one of the committee members, those in the group specializing in cultural and social affairs shared similar views during the discussion. He said the wording of the draft law on cultural and social affairs is more exact as compared with the Basic Law for the future Hong Kong Special Administrative Region.

However, he said, some drafters suggested that articles on gradual compulsory education and protection of relics in Macao be added to the draft law.

The group specializing in the region's political structure focused its discussion on the status, qualification, election and function of the future region's administrative chief.

According to an official in the group, as compared with the Hong Kong Basic Law, there are at least 30 differences concerning the administrative chief.

Meetings Close 13 Sep

OW1309174890 Beijing XINHUA in English
1503 GMT 13 Sep 90

[Text] Qingdao, September 13 (XINHUA)—The political cultural and social groups under the drafting committee for the basic law for the future Macao Administrative Region closed their fifth meetings here this evening.

This marked the end of the fifth meetings of all the five groups under the drafting committee, which opened September 7.

According to Qian Weichang, one of the committee members, the cultural and social affairs group decided to put articles on gradual compulsory education and protection of relics in Macao into the draft of the basic law.

Qian said the group also discussed in principle methods to select and design the flag and emblem of the Macao Special Administrative Region.

He said the selection and designing should be conducted within Macao and the design should be expressive of the principle of "one country, two systems," as well as of Macao's characteristics.

The political group focused its discussions on the position of the chief executive, the executive council, the commission against corruption and the commission of audit.

A spokesman for the political group said that the wording of the chapter on the political structure differs in many ways from that of the basic law of the Hong Kong Special Administrative Region.

It was learned that the groups specializing in political structure and basic rights and duties of Macao residents will hold a sixth meeting for further discussions.

The other three groups—on economy, cultural and social affairs, and relations between the Macao Special Administrative Region and the central government—will submit their drafts to the fifth session of the drafting committee of the basic law of the Macao Special Administrative Region, to be held in Guangzhou December 11 to 15.

Preparatory Committee To Mark National Day

OW1209134190 Beijing XINHUA in English
1210 GMT 12 Sep 90

[Text] Macao, September 12 (XINHUA)—A Macao preparatory committee for celebrating the 41st anniversary of the founding of the People's Republic of China held its meeting on Tuesday evening.

The meeting stressed the importance of strengthening unity among Macao compatriots through national day celebrations and urged them to contribute and do a better job for Macao's various undertakings.

Ma Man Kei, executive chairman of the preparatory committee, presided over the meeting, saying that China's national day celebrations will be held this year in the situation marked by the country's political stability, economic development and successes in diplomacy.

He believed that the Macao compatriots and people from all walks of life will offer their advices and suggestions for accomplishing various undertakings during Macao's transition period in the spirit of loving their country and Macao.

Ke Zhengping, advisor to the XINHUA news agency Macao branch, pointed out that the situation in both the mainland and Macao are good, and that China and Portugal have maintained a sound relationship since Macao entered the transition period. With a generally stable political situation and a growing economy, Macao has seen a satisfactory beginning of the period, he said.

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